

1 requested.

2 Q. What does "Responsible Stewards of  
3 XRP" mean?

4 A. So I think -- I think being helpful to  
5 XRP's liquidity development is how I would view  
6 our mandate within the company as a responsible  
7 steward of XRP.

8 Q. Why would that make you responsible?  
9 A responsible steward rather. Why would it --  
10 being helpful to XRP's liquidity development  
11 make you a responsible steward?

12 A. I think that was part of how I viewed  
13 my mandate at the company in terms of building  
14 healthy liquidity. And so although responsible  
15 stewards were not my choice, that's how I would  
16 read that today.

17 Q. Right. So, no, I understand how you  
18 viewed your mandate.

19 My question is, why would being  
20 helpful to XRP's liquidity development make you  
21 a responsible steward of XRP?

22 A. Maybe it wouldn't because, again,  
23 those weren't my choice of words, "responsible  
24 steward," but how I view my responsibility and  
25 any related comments I would have made that

1 related to my responsibility and my role.

2 Q. All right. Let's set this one to the  
3 side. I'm going to come back to it.

4 A. Sure.

5 Q. Let's look at Exhibit 65, please.

6 A. Okay.

7 (Whereupon, exhibit is presented and  
8 marked SEC Madigan Exhibit 65 for  
9 identification.)

10 MR. TENREIRO: I'm sorry.

11 Okay. So this is a four --  
12 five-page e-mail, RPLI\_SEC 463382.

13 (Pause)

14 BY MR. TENREIRO:

15 Q. Ms. Madigan, at the back of the e-mail  
16 chain, on September 10th, 2019, at 10:02 a.m.,  
17 you write Ms. [REDACTED] and to [REDACTED] who's, I  
18 believe, [REDACTED]

19 A. Mm-hmm.

20 Q. You write "Hope you're both well.  
21 After last night's meeting, we thought we would  
22 take a stab at putting together some prelim  
23 materials covering a few of the below items,"  
24 and the rest of the e-mail you've read.

25 Is this related to sort of

1 conversations you were having either with or  
2 about the [REDACTED] relationship?

3 A. Yeah. Although I don't recall this  
4 specific e-mail offhand, it looks to be  
5 referencing [REDACTED]

6 Q. Okay. When you say you're going to  
7 put together some items, including, one, "Recent  
8 and historical XRP performance," what are you  
9 referring to with XR -- what are you referring  
10 to as "XRP performance" there?

11 A. Again, I don't know the specifics we  
12 pulled together here, but consistent with, you  
13 know, prior discussions we've had around XRP  
14 performance, we tended to look at things like  
15 volumes, spreads, exchanges, breadth, depth of  
16 order book, et cetera.

17 Q. Price as well?

18 A. Price would be a part of it.

19 Q. Okay. Then you say "our role as  
20 stewards of the asset."

21 What did you mean by "stewards of the  
22 asset"?

23 A. Again, I don't recall in this specific  
24 instant, but -- instance, but I do recall that  
25 Brad had asked us to put together that working



1 group led by [REDACTED] around whatever he called it  
2 in the last thing, "Responsible Stewards of  
3 XRP."

4 Q. Okay. But what is -- so what is your  
5 understanding of what a steward --

6 THE COURT REPORTER: Could you  
7 repeat? You broke up a little there.

8 THE WITNESS: Sure. Me?

9 THE COURT REPORTER: Excuse me.  
10 Repeat the answer --

11 THE WITNESS: Me?

12 THE COURT REPORTER: -- you were  
13 saying there.

14 BY MR. TENREIRO:

15 Q. "Whatever he called it..."

16 THE COURT REPORTER: Yes.

17 A. Yes. The -- the -- the working group  
18 that -- that Brad had asked us to create, he  
19 called it the "Responsible Stewards of XRP."

20 Q. And what do you mean -- what do you  
21 mean by the word "stewards" of the asset when  
22 you write those words here?

23 A. Yeah. I think if I were to interpret  
24 it today -- because I don't recall exactly at  
25 the time given whenever this was, a couple years



1 ago. If I were to interpret this today, I would  
2 think about it as Ripple is a large holder of  
3 XRP. Ripple cares about XRP's liquidity health  
4 and development and so Ripple cares to see that  
5 XRP has deep liquidity to support the scaling of  
6 our flagship ODL product.

7 Q. Okay. Do you have an understanding  
8 sitting here today whether XRP holders in the  
9 market care about XRP's liquidity health and  
10 development?

11 A. I can't speak for other XRP holders in  
12 the market but I presume they would.

13 Q. You received XRP as compensation,  
14 right?

15 A. I did.

16 Q. Okay. As someone who received XRP as  
17 compensation, would you want there to be healthy  
18 liquidity for the XRP market so that you can  
19 sell it? You sold it all, right?

20 A. I did sell it, right.

21 Q. Okay. So would you want there to be  
22 healthy XRP liquidity so that you could sell it?

23 A. Yes.

24 Q. Okay. When you talk in the front page  
25 about "position ourselves as responsible market

1 leaders by addressing this volumes problem head  
2 on," what do you mean by "responsible market  
3 leaders"?

4 A. Similar to what I mentioned before  
5 around setting a good example in the crypto  
6 industry. We consider ourselves a company that  
7 takes our -- our job seriously. We want to have  
8 credible resources. This is referencing

9 [REDACTED] which we spoke about  
10 earlier, too.

11 Q. Yeah.

12 Well, what is an example of being a  
13 responsible market leader in this context?

14 A. So I reference the [REDACTED]  
15 [REDACTED] as one example because we realized through  
16 public reports that [REDACTED] -- there was allegations  
17 that [REDACTED] had bad volume data that may have been  
18 falsified or had questionable sources. And so  
19 that was when I was asked to help look at  
20 alternative data sources in the market to ensure  
21 that we were using reliable data, working with  
22 credible partners, and setting an example as --  
23 as an industry leader.

24 Q. And when you say "position ourselves,"  
25 in front of who? Position yourselves in front

1 of who?

2 A. Sorry? Where and what are you  
3 referencing?

4 Q. Just the very -- the very front where  
5 you say "This is why I wanted that the third  
6 topic - i.e. frame the problem (generically, and  
7 objectively - not specific to [REDACTED]; explain our  
8 role as stewards (which they should in theory  
9 share); position ourselves as responsible market  
10 leaders by addressing this volumes problem head  
11 on."

12 "Position ourselves" in front of whom?

13 A. So I mentioned earlier we have this  
14 quarterly XRP markets report and that was the  
15 primary method by which you would communicate to  
16 the market.

17 Q. So positioning yourself -- position  
18 Ripple to the market at large as responsible  
19 market leaders? Is that what you meant?

20 A. Yeah. Let me reread exactly what I  
21 said. Yeah, position -- right. Responsible  
22 market leaders, yeah.

23 Q. Okay. And when you say "explain our  
24 role as stewards (which they should in theory  
25 share,)" what do you mean? Is "they" referring



1 to [REDACTED]?

2 A. Let me reread it to make sure I'm  
3 clear.

4 Q. Please.

5 A. It looks like I'm referencing [REDACTED]  
6 there.

7 Q. Okay. Why -- why would -- why are you  
8 saying "which they should in theory share"?

9 A. So [REDACTED] as I mentioned, is a party  
10 that had a legacy contract that was a  
11 long-standing relationship with Ripple. And I  
12 know that they were a big investor in our Series  
13 B, so...

14 So presumptively they would care or  
15 have similar views to Ripple, but that's me  
16 being presumptive.

17 Q. So you were presuming that [REDACTED] would  
18 have -- their interest would be aligned with  
19 Ripple's?

20 A. It depends on what issue you're  
21 talking about.

22 Q. With respect to being stewards.

23 A. I don't know what -- whether they did  
24 or did not share that view.

25 Q. Right.

1 My question was whether that was your  
2 view, that they should in theory want to also be  
3 stewards like Ripple?

4 A. The way that the sentence reads  
5 implies, but I'm not clear on -- this is two  
6 years old. I don't remember what we were --  
7 what I was thinking exactly at that time.

8 Q. Later in that paragraph, you say "and  
9 then pointing" out the -- "pointed out that, in  
10 fact, we are going so far as to pause  
11 programmatic sales altogether on our end."

12 Do you see that?

13 A. I do.

14 Q. Why would pointing that out to [REDACTED]  
15 be -- why would you want to do that? Why would  
16 you want to point that out to [REDACTED]?

17 A. So, again, I don't remember at this  
18 exact time the context, but looking at it right  
19 now, what I think makes sense in this context is  
20 that -- that this -- we had -- we seem to be  
21 referencing the problem in market data around  
22 [REDACTED] and [REDACTED] and the  
23 differences there.

24 And [REDACTED] was falsely  
25 inflating -- at least through allegations, we,

1 understood they were falsely inflating volume  
2 numbers. And so that would have led to higher  
3 programmatic sales as a percentage of overall  
4 market volumes if we were using bad data.

5 Q. And you're saying that you paused  
6 programmatic sales because you thought you were  
7 relying on bad data for the sales?

8 A. As I mentioned earlier, I think we  
9 received instruction to pause programmatic  
10 sales. There was a number of parties involved  
11 in that decision, including our general counsel.  
12 So I don't know -- I don't recall offhand  
13 exactly if there was one or many considerations.  
14 I'm sure there were many considerations at the  
15 time as to that decision.

16 Q. Okay. Back to the one that I started  
17 with earlier, which was Exhibit 10, I think you  
18 still have it there, hopefully.

19 A. It's stuck to my little bag here.

20 Q. Okay. So in Exhibit 10, you have a  
21 comment to this "Responsible Stewards of XRP"  
22 document --

23 A. Mm-hmm.

24 Q. -- at the back, please, that says  
25 "Also re the first comment, I realize [REDACTED]"



1 was hard no but heard from Dinuka today and I  
2 think [REDACTED] sees a window."

3 What do you mean by that? What are  
4 you talking about? Hard no on what? Window for  
5 what? Can you please explain?

6 A. Yeah. Again, I'll just add the  
7 context that I don't remember this offhand, but  
8 reading it today and interpreting what I think  
9 was meant. So [REDACTED] is someone at [REDACTED] I  
10 wonder what that noise was.

11 Q. Low battery. We're okay.

12 A. Oh, okay. So [REDACTED] is somebody  
13 at -- the senior guy, I don't know if he's the  
14 CEO, but somebody senior at [REDACTED] [REDACTED] is the --  
15 is the person who I mentioned, one of the people  
16 who managed the relationship with [REDACTED] And  
17 presumably this is in reference to conversations  
18 we've talked about earlier around concerns with  
19 the large volume of one-directional flow that we  
20 were observing from [REDACTED] with respect to XRP.

21 Q. And you think [REDACTED] -- you say "I think  
22 [REDACTED] sees a window."

23 A window for what?

24 A. Potentially to renegotiate the  
25 contract.

1 Q. And is it fair to say -- we can go  
2 through the contract if you need to refresh --  
3 refresh your recollection, but based on your  
4 memory sitting here today, is it fair to say  
5 that at least the original contract -- I'm not  
6 going to get into every specifics, but generally  
7 [REDACTED] would buy XRP at a discount, a certain  
8 amount of XRP at a discount, from Ripple and  
9 then what you found out was that they were then  
10 selling it?

11 A. Yeah. I don't recall the specifics of  
12 the contract. And, again, I wasn't there when  
13 they originally -- the main recollection I have  
14 around the contract was just that they were  
15 receiving a lot of quantity of XRP. I don't  
16 remember at a discount, what discount, if a  
17 discount. And then they were selling a lot of  
18 XRP. And so the thing I remember focusing on  
19 was that's a lot of XRP supply.

20 Q. And do you recall having -- floating  
21 suggestions in terms of renegotiating the  
22 contract or one suggestion was let's just sort  
23 of pay them out the benefit that they would make  
24 in the contract in a way that reduces the XRP  
25 supply that they might put out there?

1 MS. ZORNBERG: Objection.

2 A. I don't recall the specifics of the  
3 ideas that were thrown out there. I do recall  
4 we had a number of conversations with Chris  
5 Larsen, [REDACTED] people who had been involved  
6 in the original contract, and there were a lot  
7 of ideas that were being discussed.

8 Q. Okay. We'll get to those.

9 In the next line you say "Not sure we  
10 can override CL, though."

11 Who is -- what is -- who or what is  
12 "CL" there?

13 A. Chris Larsen.

14 Q. Why were you not sure if you could  
15 override him? What does that mean?

16 A. Just probably what it says there,  
17 which is that I wasn't sure if we could override  
18 Chris Larsen.

19 Q. With respect to what?

20 A. I don't recall what specifically it  
21 was that he wanted.

22 Q. Why would you need to override him?

23 A. If -- if we had an interest in doing  
24 something that was different than what Chris  
25 wanted, but I don't recall what that



1 specifically was in reference to here.

2 Q. And why -- why couldn't you override  
3 him?

4 A. I said I'm not sure if we can. So I  
5 don't know. Maybe we could.

6 Q. Okay. Then you say "We have to focus  
7 on finding a way to get the supply back. V  
8 worried about XRP at .20 and lower otherwise."

9 What do you mean there?

10 A. So, again, sig -- significant concern  
11 around very large quantities of supply being  
12 introduced all in one direction in single large  
13 transactions has negative impact on liquidity.

14 Q. Does "V worried" mean very worried?

15 A. I'm not sure. Wait. Where are you  
16 now? This is in the last page, right?

17 Q. Yes.

18 A. Okay. "V worried." Yeah, probably  
19 very. Very.

20 Q. And when you say "about XRP at .20,"  
21 are you referring to the price of XRP?

22 A. I am. I appear to be referring to the  
23 price of XRP, yes.

24 Q. Okay. When you say "I dread Q3  
25 report," why do you -- are you referring to the

1 third quarter market report for XRP there?

2 A. It looks that way.

3 Q. Why do you dread it if you "don't take  
4 swift, creative action now"?

5 A. Because, again, the market --  
6 receiving a report that there's a very large  
7 supply hitting the market and then observing  
8 one-directional flow is not a good -- it's not  
9 helpful for liquidity.

10 Q. Uh-huh. And so I'm curious again.  
11 We've talked about liquidity a lot. We've  
12 probably said it 500 times. I still haven't  
13 seen it in these documents.

14 So I'm trying to ask you, why didn't  
15 you just use the word "liquidity" when you're  
16 worried about liquidity?

17 MS. ZORNBERG: Objection.

18 MR. ANELLO: Yeah, I'm going to  
19 object --

20 THE COURT REPORTER: I'm sorry.  
21 If somebody is talking right now, I can't  
22 hear that person.

23 MR. ANELLO: Yeah. I -- I  
24 believe your statement's inaccurate.

25 MR. TENREIRO: Okay.

1 THE COURT REPORTER: I can't hear  
2 you, sir.

3 MR. ANELLO: I said I believe the  
4 statement was inaccurate.

5 THE COURT REPORTER: And is this  
6 Mr. Anello?

7 MR. ANELLO: It is.

8 THE COURT REPORTER: Thank you.

9 BY MR. TENREIRO:

10 Q. Ms. Madigan?

11 A. Yes?

12 Q. The answer, please? Why don't you use  
13 the word "liquidity"?

14 A. Oh, the -- we do use the word  
15 "liquidity."

16 Q. Why is it not in this document?

17 A. I don't recall why that specific -- I  
18 mean, I actually haven't read it for the word  
19 "liquidity," so I could do that as well right  
20 now. It could have been used here. If it  
21 wasn't used, I don't know why.

22 Q. Well, when -- when we've talked about  
23 liquidity, you've given me, you know, a robust  
24 answer of several -- several factors that go  
25 into liquidity.



1 Do you recall doing that today?

2 A. I do, many times.

3 Q. Okay. Many times. It's sort of a --

4 A. I'm sure you all do, too, and are sick  
5 of it.

6 Q. And -- and it's sort of -- there's a  
7 lot of components to it, right?

8 A. Yes.

9 Q. So would you agree with me that it's  
10 faster to just say liquidity? Just save some --  
11 saves some words, right?

12 MS. ZORNBERG: Objection.

13 A. No. No.

14 Q. No. Okay.

15 Why not?

16 A. Because liquidity has many components  
17 that contribute to it.

18 Q. And so is it fair to say, then, when  
19 you refer specifically to -- to one of the  
20 components, you're more worried about that  
21 particular component at that particular time?

22 MS. ZORNBERG: Objection.

23 A. It depends on the context.

24 Q. So, for example, here price? For  
25 example, here the price?

1           A.    For example, here the price?  What's  
2   the question around my reference to the price  
3   there?

4           Q.    Is it fair to say that when you call  
5   out a particular component such as the price,  
6   you might be more concerned about the price at  
7   that particular moment?

8           A.    I'm not going to speculate as to  
9   concern.  I -- it's clear that I was referencing  
10  price here.  Again, I don't know that that means  
11  that I was more concerned or less concerned.

12          Q.    Okay.

13          A.    That's just one attribute I called  
14  out.

15          Q.    At the front of this exhibit, it says  
16  "All upcoming XRP deals must be approved by the  
17  markets team and fit into a specific framework.  
18  Introduction of any XRP must fit into an XRP  
19  inflation framework where XRP inflation of  
20  circulating supply must be decreasingly  
21  inflationary."

22                Can you please explain what you mean  
23  by "decreasingly inflationary"?

24          A.    Yeah.  Well, first, I'll say I  
25  think -- I don't recall writing this.  I think

1 this was a proposal put together by [REDACTED] So  
2 I'll start with that. But I will read -- I am  
3 happy to read it now and try to interpret  
4 what -- so the question is decrease -- what  
5 decreasingly inflationary means?

6 Q. Yes.

7 A. Okay. Hold on.

8 So decreasingly inflationary would  
9 mean as you introduce excess supply, the  
10 inflation rate goes up. So introducing less  
11 supply would have an offset on increasing  
12 inflation.

13 Q. The inflation of what?

14 A. So inflation measures the introduction  
15 of supply and overall price on that, on a given  
16 asset.

17 Q. Sorry. The -- "inflation measures the  
18 introduction supply and overall price on that"?  
19 I don't understand. Can you explain what you  
20 mean?

21 A. So here we're talking about, it seems,  
22 that -- the rate of XRP inflation relative to  
23 other assets. So -- with the -- yeah. So -- so  
24 it looks like we're referencing it relative to  
25 Bitcoin. So looking at the rate of introduction



1 of supply of Bitcoin relative to the rate of  
2 introduction of supply of XRP.

3 Q. And your goal was to get the rate of  
4 introduction of XRP supply below Bitcoin's?

5 A. Okay. So I'm just going to remind you  
6 that I didn't write this so I wouldn't call this  
7 my goal. But if I read this sentence again,  
8 "Introduction of any XRP must fit into an XRP  
9 inflation" -- yeah. It looks like we are again  
10 looking at the rate of XRP's inflation relative  
11 to Bitcoin's inflation.

12 Q. When you say "we" in that answer,  
13 who's "we"?

14 A. The many people that were involved in  
15 this document.

16 Q. Okay. So I apologize for "you." When  
17 I mean "you," I just mean the people that are  
18 involved, not specifically, but I'll try to be  
19 clear --

20 A. Yes.

21 Q. -- because I want to make sure I  
22 understand what the company's goal is, not  
23 Breanne Madigan's necessarily.

24 A. Right.

25 Q. So here is it fair to say that the

1 team's goal as being described in this document  
2 was to get the rate of inflation below  
3 Bitcoin's?

4 A. No. I think this was a document that  
5 was created to float a bunch of ideas. Again, I  
6 think [REDACTED] had put this together, if I recall  
7 correctly, and these were some ideas that were  
8 floated, many of which I don't think were --  
9 were eventually followed through on.

10 But, again, when I -- my memory when  
11 Brad asked us to look at this was let's look at  
12 everything that Ripple's doing with XRP and  
13 let's think about, you know, getting that  
14 information together, having a better  
15 understanding about how Ripple is introducing  
16 XRP to supply to the market, and ensuring that  
17 we are behaving in ways that are helpful to  
18 healthy XRP liquidity development.

19 Q. And it -- thank you.

20 Is it fair to say, just to pick up  
21 something from earlier, that you, meaning  
22 Ripple, came to learn around this time, you  
23 know, if not before, but that [REDACTED] was  
24 immediately selling the XRP it received into the  
25 market?

1           A. I do not recall the date upon which we  
2 learned of that [REDACTED] news relative to this  
3 document.

4           Q. Is it fair to say that you learned  
5 that news at some point?

6           A. Around -- sorry. Clarify the  
7 question.

8           Q. Yeah.

9                   Is it fair to say that at any point,  
10 you know -- let's just talk about Breanne  
11 Madigan -- you came to learn that [REDACTED] was  
12 selling the XRP that it received into the  
13 market?

14          A. I did learn that, yes.

15          Q. And do you know either way whether  
16 Mr. Garlinghouse learned that?

17          A. Yes.

18          Q. Did he learn that?

19          A. He did learn that.

20          Q. And how do you know that?

21          A. I just recall conversations. I don't  
22 recall exactly when, but there were  
23 conversations on the matter.

24          Q. You recall conversations on the  
25 matter?



1 A. Correct.

2 Q. Did Mr. Larsen learn that?

3 A. Yes.

4 Q. And how do you know that?

5 A. I don't know who informed him.

6 Q. I'm sorry?

7 A. I don't recall who informed him.

8 Q. Okay. Let's take a look at Exhibit

9 10, please. We're at -- oh, sorry, we're at 10

10 now. Eleven, please.

11 A. Do I have that here?

12 Q. No, not yet.

13 (Whereupon, exhibit is presented and  
14 marked SEC Madigan Exhibit 11 for  
15 identification.)

16 A. Yeah. I should just call out --

17 Q. Yes.

18 A. So on this prior e-mail that you were  
19 referencing on that [REDACTED] the  
20 subject line was [REDACTED] follow-up and next steps"  
21 in the e-mail --

22 Q. I'm sorry. Wait. Exhibit 10 is  
23 responsible stewards.

24 Are you talking about 65, [REDACTED]  
25 follow-up and next steps"?

1 A. I forget -- yeah, that one. Yeah.

2 Q. Okay.

3 A. So there's a couple instances here  
4 where the word "liquidity" is used. I just  
5 wanted to call them out.

6 Q. Okay.

7 A. So there is -- at the bottom of the  
8 second page, just going in the order of where  
9 they're presented, there's a bullet that starts  
10 with [REDACTED]." Right?

11 Q. Uh-huh.

12 A. And in the second or third from bottom  
13 line in the right-hand corner, "XRP liquidity"  
14 is there.

15 Q. Sorry. I just -- I -- I want to hear  
16 all of them, but this is --

17 A. Sure.

18 Q. -- this is referring to giving [REDACTED] the  
19 necessary liquidity, right?

20 A. So it says "So I think that we should  
21 acknowledge (and appreciate) their efforts and  
22 mention that we would cooperate with them to  
23 ensure they have necessary XRP liquidity."

24 Q. Mm-hmm.

25 A. Yep. So that's one.

1 Q. I'm sorry, but I just want to make  
2 sure I understand.

3 Is this referring to helping [REDACTED] have  
4 XRP liquidity?

5 A. This is -- this is giving examples of  
6 where the word "liquidity" is included in  
7 communications, which you just previously said  
8 it wasn't. I just wanted to give you examples  
9 of where XRP liquidity is, in fact, referenced  
10 in our team's communications.

11 Q. Okay.

12 A. So that's one example.

13 And then if you flip to the next page,  
14 there's a bullet -- the second bullet starts  
15 with "They care about flexibility..."

16 Q. Mm-hmm.

17 A. There also is the word "liquidity."

18 Q. Mm-hmm.

19 A. So XRP liquidity. Just -- just to  
20 help give some examples around that word's use  
21 in -- in the communication as well.

22 Q. Right. It seems like I was unclear.  
23 I'm -- I'm sure the word "liquidity" is used.

24 My question, though, was, can you  
25 point me to an example where you used the word



1 "liquidity" in the context of your concerns  
2 about XRP's market liquidity? How --

3 THE COURT REPORTER: I can't hear  
4 you.

5 Q. Can you give me an example? Can you  
6 point me to where you use the word "liquidity"  
7 in the context of your concerns about the  
8 liquidity of XRP's markets? Are you saying that  
9 these are two examples of that?

10 MS. ZORNBERG: Objection. If you  
11 want to show documents -- you're now  
12 asking the witness to just come up in the  
13 whole environment of her work with some  
14 document to show you? That's not how  
15 depositions work.

16 MR. TENREIRO: Okay. Thank you,  
17 Lisa.

18 BY MR. TENREIRO:

19 Q. Can you answer, please?

20 MR. ANELLO: What's the question?

21 A. What's the question?

22 Q. The question is, are you saying these  
23 two examples where you're pointing out the word  
24 "liquidity" are examples of you using the word  
25 "liquidity" to express your concern about the

1 liquidity of -- of the XRP market?

2 A. If you look through the document where  
3 I just pointed out, it looks like the author of  
4 those -- that e-mail was [REDACTED]

5 Q. Mm-hmm. So the answer is no?

6 MS. ZORNBERG: Objection.

7 MR. ANELLO: She gave an answer.

8 Don't -- please don't be rude to her.

9 MR. TENREIRO: I'm just -- I just  
10 want an answer to the question.

11 BY MR. TENREIRO:

12 Q. Is this an example of --

13 MR. ANELLO: She gave you an  
14 answer. You don't like the answer, but  
15 she gave an answer.

16 Q. Is this an example of people at Ripple  
17 expressing a concern over the liquidity of the  
18 XRP market in your mind when you read it?

19 A. This is an --

20 MS. ZORNBERG: Objection.

21 A. Okay. This is an example of an  
22 employee at Ripple using the word "liquidity" in  
23 the context of discussions around the XRP  
24 market.

25 Q. Okay. And is it an example of an

1 employee at Ripple expressing concern over the  
2 liquidity of the XRP market?

3 MS. ZORNBERG: Objection.

4 A. I don't know if I'd call it concern.  
5 It's talking about ensuring necessary XRP  
6 liquidity and caring about flexibility and  
7 accessing XRP liquidity. So these are all  
8 things that are, you know, similar to what we  
9 discussed before in terms of liquidity has many  
10 components, right, and accessibility, many --  
11 you know, having many exchanges traded, et  
12 cetera, are all parts of a healthy liquid  
13 market.

14 Q. Okay. Let's go to Exhibit 11.

15 A. Sure.

16 Q. Which is 463443 and it's a two-page  
17 document. I don't know if you've had a chance  
18 to look at it.

19 A. I haven't.

20 Q. Okay.

21 A. So if you don't mind waiting, I'd like  
22 to.

23 (Pause)

24 A. Okay.

25 Q. Ms. Madigan, Mr. Samar -- Samarasinghe



1 here is writing you about [REDACTED] talking points  
2 for Brad," is that correct?

3 A. It looks that way based on the subject  
4 line in the e-mail.

5 Q. Is it fair to say that these are  
6 points that your team is drafting so that  
7 Mr. Garlinghouse can talk to [REDACTED] about the  
8 situation we've been discussing with the  
9 contract with Ripple?

10 A. I don't know what the -- the specific  
11 e-mail is referencing besides the fact that it's  
12 clearly [REDACTED]. I don't know what the intention  
13 from Brad's -- if he was having a conversation  
14 or otherwise.

15 Q. Well, were there occasions just  
16 generally where you might help Mr. Garlinghouse  
17 sort of come up with talking points that he  
18 might use for conversations with, you know,  
19 Ripple's business partners or anything like  
20 that?

21 A. I don't recall doing that very often,  
22 if at all, but this suggests talking points.  
23 I'm not sure what it was -- what it was being  
24 used for.

25 Q. Okay. Fair enough.

1           And so Mr. Samarasinghe says "Given  
2   XRP" as at -- "is at multiyear lows..."

3           Multiyear lows with respect to what?

4           A.   It looks like he's talking about  
5   price.

6           Q.   Okay. "And sentiment is poor," what  
7   does that mean? When you read that, what do you  
8   understand that to mean?

9           A.   Again, these are his words, not mine.  
10   But when I read that, he -- he's probably  
11   talking about market sentiment overall.

12          Q.   Can you explain what you mean by  
13   "market sentiment"?

14          A.   Sure. So "sentiment" is often used to  
15   describe markets across the world. So if people  
16   are generally feeling positive about market --  
17   about the markets, they'll say sentiment is  
18   positive; if people are feeling negative, they  
19   might say sentiment is poor.

20          Q.   And is it fair that Ripple wanted  
21   there to be positive -- positive market  
22   sentiment with respect to the XRP market?

23          A.   I think that's reasonable.

24          Q.   Okay. And then he says "The problem  
25   here is existential because it is a vicious

1 cycle." He talks through [REDACTED] purchases. Then  
2 he says "As [REDACTED] sells, they drive the price  
3 lower."

4 Do you see that?

5 A. So S -- yeah, I do see that.

6 Q. Is it fair to say that one of the  
7 concerns the market team -- the markets team had  
8 at Ripple with [REDACTED] sales was that they could  
9 drive the price of [REDACTED] lower?

10 A. So the focus is and has been on  
11 liquidity, but price definitely impacts  
12 liquidity. And at lower price points, the  
13 liquidity impact can be greater.

14 Q. And then he says "This can turn  
15 parabolic and go to zero very quickly."

16 Do you see that?

17 A. Yes.

18 Q. When you read that, did you understand  
19 "go to zero very quickly" to be referencing the  
20 price of XRP going to zero?

21 A. I'm not sure what he was referencing.

22 MR. ANELLO: You skipped several  
23 lines in between.

24 Q. Oh, go ahead and read them. I'm --  
25 and I'm not asking you what he's referring to.



1 I just want to understand, when you read it,  
2 what did you understand?

3 A. Yeah. I don't recall at the time. He  
4 may be referencing price.

5 Q. Do you understand it to be -- it's --  
6 I really don't want you to tell me what he's  
7 referencing because we can ask him.

8 When you read it, even sitting here  
9 today, you know, just as someone who's his  
10 coworker and who talked to him, when you read  
11 it, what do you understand?

12 MS. ZORNBERG: Objection; asked  
13 and answered.

14 A. I've already given an answer.

15 Q. Can you please answer?

16 A. Yes. I -- I don't know what he meant  
17 by this.

18 Q. Okay. I'm going to -- I'm going to  
19 keep asking you, though. What -- I don't want  
20 to know what he meant. I want to know what you  
21 understand.

22 When you read this, what does this  
23 mean to you? Is it a reference to price or to  
24 something else?

25 A. It could be price. It could be

1 something else. I don't know.

2 Q. What something else could it be?

3 MS. ZORNBERG: Objection. Asked  
4 and answered several times now.

5 MR. TENREIRO: It's not answered.  
6 We're going to keep going.

7 MS. ZORNBERG: She answered. You  
8 just don't like the answer.

9 MR. TENREIRO: We still have --  
10 how -- how much time do we have?

11 THE VIDEOGRAPHER: We've been on  
12 the record 2 hours and 59 minutes.

13 MR. TENREIRO: All right.

14 BY MR. TENREIRO:

15 Q. So what do you understand "go to zero  
16 very quickly" to mean? I think you said it  
17 could be price; it could be something else.  
18 What something else could it be in your  
19 understanding? Please don't speak to what he is  
20 saying. I can ask him.

21 MS. ZORNBERG: Objection.

22 MR. ANELLO: Yeah, I'm not --  
23 you're really arguing with her and I  
24 assume you don't mean to --

25 THE COURT REPORTER: I cannot

1           hear you, Mr. Anello. You're going to  
2           have to come toward the microphone.

3                   MR. ANELLO: Okay. You're --  
4           you're arguing with her. You may be  
5           frustrated and I understand that, but  
6           please don't argue with her. Just ask  
7           your question politely because she's  
8           answering politely. That's the way we're  
9           going to continue to do it.

10                   MR. TENREIRO: Okay.

11 BY MR. TENREIRO:

12           Q. Ms. Madigan, your answer, please.

13                   MR. ANELLO: Why don't we read  
14           the question back.

15                   MR. TENREIRO: Yes.

16           Q. From your perspective, when you read  
17           these -- when you read these words, is it a  
18           reference to price or something else? You said  
19           it could be price; it could be something else.  
20           What is the something else from your  
21           perspective?

22           A. I'm not sure. It could be referring  
23           to inflation. It could be referring to price.  
24           I'm not sure what was referenced here.

25           Q. Okay. I think this is a natural --



1 well, let's keep going. Let's keep going. All  
2 right. We can set this aside. Thank you.

3 MR. TENREIRO: Let's look at  
4 Exhibit 15, please.

5 (Whereupon, exhibit is presented  
6 and marked SEC Madigan Exhibit 15 for  
7 identification.)

8 MR. TENREIRO: And 15 is going to  
9 be RPLI\_SEC 200768. Yeah.

10 BY MR. TENREIRO:

11 Q. Ms. Madigan, is it -- so you mentioned  
12 you have some involvement at times with perhaps  
13 making comments related to the market reports.  
14 Is that fair?

15 A. Yes. So it was typically drafted by a  
16 combination of multiple teams and then I would  
17 typically read through and provide edits as and  
18 if necessary.

19 Q. What were the teams that might have  
20 drafted it?

21 A. So there was contributions from the  
22 legal team, the markets team, the regulatory  
23 team, the Xpring team, maybe biz dev from time  
24 to time.

25 Q. Biz dev?

1 A. Yeah.

2 THE COURT REPORTER: I'm sorry.

3 Maybe what? I didn't hear that. Maybe  
4 what from time to time?

5 THE WITNESS: Biz -- sorry,  
6 business development?

7 Q. Who at the markets team would be  
8 involved with the drafting, if anyone?

9 A. So depending upon the quarter, it  
10 could be [REDACTED] It could be Dinuka.  
11 It could be [REDACTED] There are a number --  
12 [REDACTED] other members of the team. Depending on  
13 the topic and who was available at the time.

14 Q. And is it fair to say, as we've  
15 discussed, the markets report -- the markets  
16 reports were sort of information that Ripple  
17 gave to the market? So outward-facing  
18 communications, is that fair?

19 A. Yes.

20 Q. And is it fair to say that there were  
21 other outward-facing communications that Ripple  
22 might engage in such as, you know, tweets or  
23 videos or -- or posts on the website?

24 A. Yes.

25 Q. And did your team have involvement

1 from time to time, generally speaking, with  
2 those as well?

3 A. So from time to time, there might be  
4 examples of Insights posts, for example, yes.

5 Q. Insights?

6 A. Yes.

7 Q. Okay. But is it fair to say that from  
8 time to time your team had involvement with  
9 those Insights -- Insights posts?

10 A. Insights posts were drafted and  
11 created by our comms team. And then similar to  
12 with the example I was just given with the XRP  
13 markets report, we would be invited to edit or  
14 comment as and if necessary.

15 Q. And do I recall correctly that  
16 you're -- you're saying that your team is now  
17 under Ms. Monica Long?

18 A. That's correct.

19 Q. And she's a communications person?

20 A. She was running marketing  
21 communications and now she is the GM of RippleX.

22 Q. Okay. Got it.

23 All right. So focusing on Exhibit 15  
24 for a second, please, it says -- the draft  
25 report says "In addition, the team announced it



1 has invested [REDACTED] in over 20-plus  
2 companies and is building developer platform to  
3 offer resources, such as tools, libraries and  
4 services, to make it easy to build on the XRP  
5 ledger and utilize interledger protocols."

6 Do you see that?

7 A. I do see that.

8 Q. And then you say "This could be seen  
9 as a negative to the market, given the signif  
10 quantity of XRP supply hitting market. I might  
11 prefer that we do not reference Xpring in this  
12 report."

13 Do you see that?

14 A. I do see that.

15 Q. Why would this information be seen as  
16 a negative to the market?

17 A. So we spoke earlier about the negative  
18 impact that significant quantity of supply,  
19 especially in one direction, can have on the  
20 market. And communicating large quantities of  
21 XRP hitting the market could have the impact of  
22 drying up liquidity.

23 Q. Well -- okay. So is it fair to say  
24 based on this comment that not all information  
25 about potential XRP hitting the market was

1 necessarily voluntarily disclosed by Ripple in  
2 the context of these reports?

3 A. I don't recall whether or not this was  
4 disclosed in that report.

5 Q. Okay. But we'll get to the report.  
6 My question, though, is -- you're sort of making  
7 a comment about why you don't think it's a good  
8 idea to mention that in the report.

9 So my question is, given that you were  
10 making that comment, is it fair to say that  
11 Ripple wasn't always going to disclose all the  
12 information it had about XRP hitting the market?

13 MS. ZORNBERG: Objection. And  
14 also mischaracterizes the witness's prior  
15 testimony.

16 Q. Please answer.

17 A. Can you repeat the question, please?

18 Q. Yes. I'm simply asking given -- given  
19 that you're making this comment, is it fair  
20 to -- is it fair for me to understand that there  
21 might be situations where, you know, sort of in  
22 the internal process, you decided this is not  
23 information about XRP hitting the market that we  
24 want to put out there because it might be  
25 negative?

1           A.    I'm not so sure because I don't recall  
2           whether or not we did or did not include that in  
3           the markets report.

4           Q.    Okay. Well, let's just look at it.

5                       MR. TENREIRO: Can you please  
6           pull Exhibit 56?

7                       (Whereupon, exhibit is presented  
8           and marked SEC Madigan Exhibit 56 for  
9           identification.)

10          Q.    And I just want to -- as she pulls it  
11          out, I just want to refer you to the fact that  
12          here it says "Draft Q2 2019 Markets Report." So  
13          I'm going to pull it and show you that one.

14          A.    Sure.

15                       MR. TENREIRO: And that's -- I  
16          don't have a Bates for it, I think it's  
17          pulled off the website, but it's Exhibit  
18          56.

19                       MS. ZORNBERG: Oh, thank you.

20          Q.    And just -- do you have it yet? Yeah.

21                       Also, to help you -- you can read the  
22          whole report, obviously -- but in your comment  
23          on Exhibit 15, it says "I might prefer that we  
24          do not reference Xpring in this report."

25                       Do you see that?



1 A. Are you talking about Exhibit 15?

2 Q. Yes.

3 A. Yes, I do see that.

4 Q. Okay. So -- and it talks about a  
5 comment: "In addition, the team announced it  
6 has invested [REDACTED] in over 20-plus companies."  
7 That's the comment in Exhibit 15.

8 Do you see that?

9 A. I do see that.

10 Q. Okay. Are you on page 5 of the  
11 report, Ms. Madigan --

12 A. I am.

13 Q. -- where it says "Xpring"? Okay.

14 (Pause)

15 A. Okay.

16 Q. So I guess my question is, did Ripple  
17 end up disclosing, in this report at least, that  
18 it had announced -- that Xpring had announced --  
19 invested [REDACTED] in over 20-plus companies?

20 MS. ZORNBERG: Objection to form.

21 A. I don't see it in the "Xpring"  
22 section, I -- but I'm still scanning the whole  
23 document.

24 Q. Okay.

25 (Pause)

1 A. I don't see it in the report.

2 Q. Okay. Is one of the reasons it's not  
3 in the report because of the concern about how  
4 it could be seen as a negative to the market  
5 given the significant quantity of XRP supply  
6 hitting the market?

7 A. So as we've spoken about, the  
8 one-directional flow in the market can have a  
9 negative impact on liquidity. And sometimes  
10 statements around something like that could be  
11 taken -- misinterpreted by the market as, for  
12 example, [REDACTED] hitting sup -- being one  
13 way sold immediately into market. And so  
14 that -- that would be misinterpreted.

15 Q. Okay. Is it fair -- sorry. Are you  
16 finished? Yep? Okay.

17 Is it fair to say that Ripple might,  
18 from time to time, have information about XRP  
19 supply that's hitting the market, such as the  
20 example in Exhibit 15, that was not disclosed,  
21 at least not in the market reports, for -- for  
22 reasons such as the one you explained?

23 A. Well, I want to clarify an assertion  
24 you made in the statement which is incorrect,  
25 which is that even if -- which, by the way, I'm

1 not sure if [REDACTED] is true that they were  
2 investing in companies, that doesn't mean that  
3 that [REDACTED] in supply hit the market. And  
4 so when you said [REDACTED] in supply hitting  
5 the market, if these companies were taking that  
6 XRP and using it in their platform without  
7 trading it, it wouldn't hit the mark.

8 Q. Right. I was just -- I was just using  
9 your words, but that -- but that's okay. We can  
10 say, you know, let's -- let's rephrase the  
11 question.

12 Is it fair to say that there might  
13 have, from time to time, been an occasion where  
14 Ripple had information about investments it had  
15 made in companies, such as the ones described in  
16 the draft report, that it might have chosen, for  
17 whatever reason, not to include in the ultimate  
18 report that was published?

19 A. It looks to be that this is a  
20 potential example. However, the reason I'm  
21 clarifying hitting the market is that the -- the  
22 perception with a headline like [REDACTED] in  
23 20 companies" could be read by the market as,  
24 oh, that's [REDACTED] of supply Ripple dumping,  
25 which, in actual fact, wouldn't have been the



1 case here if these companies are taking the XRP  
2 and using it in a way that's driving utility.

3 So the -- the potential for  
4 misinterpreting that headline is the reason that  
5 something like that can be extracted.

6 Q. Right. Right.

7 But when you say looks to be that this  
8 is a potential example, I just want to make  
9 sure. This is a potential example of certain  
10 information not making it at least in the market  
11 reports for reasons such as the ones you  
12 described?

13 MS. ZORNBERG: Objection.

14 A. I don't know. I don't even know if  
15 [REDACTED] is the correct number. I don't -- I  
16 can't validate the 20 companies, et cetera. So  
17 I don't know if -- I don't know enough about  
18 what happened with this XRP, et cetera. But,  
19 yes, if -- is this an example of where something  
20 around XRP was discussed that didn't make it  
21 into the markets report? Yes.

22 Q. Would -- would it be discussed  
23 somewhere else, for example? What -- where  
24 would be the other places that I might look to  
25 that it might be discussed? I'm not asking you

1 to tell me what it was.

2 A. Probably in something specific to  
3 Xpring.

4 Q. So, like, for example, the website or  
5 the Twitter feed or what -- where would I, you  
6 know --

7 A. Yeah. For example, this actually  
8 references the team announced --

9 Q. Mm-hmm.

10 A. -- it has invested. So it appears as  
11 though there was an announcement already made to  
12 the public around that activity.

13 Q. Okay. Announcements of this sort  
14 would be, again, on the website, on a YouTube  
15 video, Twitter, or --

16 A. Could be all of the above. I don't --

17 Q. Okay.

18 A. -- I don't know where they made this  
19 specific announcement, but I do recall something  
20 being publicly shared around the topic.

21 Q. Okay. And just a moment ago you  
22 said -- and I'm just going to read what was  
23 transcribed -- "However, the reason I'm  
24 clarifying hitting the market is that the  
25 perception with a headline like [REDACTED] and

1 20 companies'" -- excuse me -- "'could be read  
2 by the market as, oh, that's [REDACTED] supply  
3 of Ripple dumping." Why -- "which, in actual  
4 fact, wouldn't be the case here if the companies  
5 were taking the XRP and using it in a way that's  
6 driving utility."

7 A. Uh-huh.

8 Q. Would the market perceiving Rimple --  
9 Ripple dumping XRP be something that, you know,  
10 the markets team -- the markets team did not  
11 want to occur?

12 A. So the markets team is focused on  
13 developing healthy liquid markets for XRP. As I  
14 mentioned, if there's large one-directional  
15 flow, it's not helpful to liquidity. It tends  
16 to be hurtful to liquidity. And so with one  
17 headline, as that example gave, there is  
18 potential for the market to misinterpret a  
19 statement like that as supply that's directly  
20 hitting the market when, in actual fact, it  
21 likely wasn't hitting the mark.

22 Q. Let me just try to make sure I  
23 understand.

24 If the market perceives, however  
25 correctly or incorrectly, that there's going to



1 be more supply hitting the market such as  
2 one-directional flow, how could that  
3 perception -- not the actual flow, right,  
4 because now I'm talking about the perception --  
5 how would the perception affect the liquidity?

6 A. So perception in all markets  
7 influences people's decision around assets and  
8 it's something that moves markets one way or  
9 another.

10 Q. So -- but to be specific about my  
11 question, would it be -- would it affect  
12 liquidity by people, like, pulling buy orders or  
13 how would it affect liquidity?

14 A. It's hard for me to say what people  
15 will do based on a headline. They make their  
16 own independent decisions around the news that  
17 they're reading.

18 Q. Right.

19 I'm just trying to understand. To the  
20 extent you think that it might be negative  
21 because it affects liquidity, like, can you tell  
22 me in your head how the negative perception, you  
23 know -- what -- what are the steps between the  
24 negative perception and the, you know, bad  
25 liquidity effect?

1           A.    As I mentioned, the goal of the  
2   markets report was to communicate transparently  
3   around what was happening. And a headline like  
4   that being misinterpreted is not actually  
5   promoting transparency around XRP supply.

6           Q.    Okay.

7                       MR. ANELLO: Could we take a  
8   break?

9                       MR. TENREIRO: Sure.

10                      THE VIDEOGRAPHER: The time right  
11   now is 2:31 p.m. We're off the record.

12                      (Whereupon, a recess is taken.)

13                      THE VIDEOGRAPHER: The time right  
14   now is 2:48 p.m. We're back on the  
15   record.

16   BY MR. TENREIRO:

17           Q.    Ms. Madigan, at some point today, I  
18   think you told me that Mr. Larsen attended the  
19   weekly meetings that your team had, at least for  
20   the first year or so that you were at Ripple, is  
21   that correct?

22           A.    Yeah. Just to clarify, the -- when  
23   you say your team meetings, my team meetings  
24   were separate from the Friday meetings. The  
25   Friday meetings had a group of attendees that

1 included many people including Mr. Larsen.

2 Q. And what was his role at those  
3 meetings?

4 A. He didn't have an active role. He  
5 would usually listen in and occasionally ask a  
6 question.

7 Q. Did he -- did you update him as to  
8 information that was happening at the company  
9 and -- or with your team at those meetings?

10 A. He received the same information that  
11 everybody at the meeting received.

12 Q. And were you delivering information to  
13 participants at the meeting, at those meetings?

14 A. Yes. I was one of the people that  
15 would deliver information at those meetings,  
16 yes.

17 Q. And who else was delivering  
18 information?

19 A. It depended on the week. It could be  
20 Ron. It could be Ethan. It could be Brad.

21 Q. You said Ron, Ethan and Brad -- and  
22 who?

23 A. It could be Brad. There were a number  
24 of speakers depending upon the topics of the  
25 week.



1 Q. Okay. Were decisions presented to  
2 management at any of those meetings generally?

3 A. I just want to clarify. So when you  
4 say "decisions presented," no.

5 Q. Sorry.

6 Were -- were issues presented for  
7 decisions such as, okay, well, here's these two  
8 course of actions we're thinking. You know,  
9 what do people think?

10 MS. ZORNBERG: Objection as to  
11 form.

12 A. Can you clarify your question?

13 Q. Yes.

14 At these Friday meetings, generally  
15 speaking, would they include asking, you know,  
16 Mr. Garlinghouse, Mr. Larsen or other people  
17 that you consider management to make decisions  
18 about potential courses of action?

19 A. Potentially.

20 MS. LINSENMAYER: Objection to  
21 form.

22 Q. You said "potentially"?

23 A. Potentially.

24 Q. Okay. Let me -- let me move on from  
25 that.

1 Did Ripple sell XRP to speculative  
2 investors?

3 A. So Ripple sold XRP through market  
4 makers who then sold on exchanges. And  
5 speculators I'm sure were part of the people who  
6 were buying the XRP through those exchanges.

7 Q. When you -- and, you know, in  
8 connection with your employment at Ripple, do  
9 you, Ms. Madigan, understand that XRPs sold on  
10 behalf of Ripple by market makers could be sold  
11 to speculators on these exchanges?

12 A. I'm sorry. Can you say that one more  
13 time?

14 Q. Yes.

15 Do you, Ms. Madigan, have an  
16 understanding that XRP sold on behalf of Ripple  
17 by market makers could be sold to speculators?

18 A. Yes.

19 Q. Did Mr. Garlinghouse -- does  
20 Mr. Garlinghouse have that understanding?

21 A. I can't --

22 MS. ZORNBERG: Objection.

23 A. -- speak to Mr. Garlinghouse's  
24 understandings.

25 Q. Have you ever discussed with him, you

1 know, the subject of who -- who are these people  
2 buying XRP on these exchanges?

3 A. I remember broad discussions around  
4 that. More around geographies and -- and -- and  
5 volumes on exchanges and general, sort of, data  
6 around where it was being traded.

7 Q. So more -- more geographies and  
8 volumes than maybe like the identities of the  
9 purchasers?

10 A. Right. So we --

11 MS. ZORNBERG: Objection.

12 A. We don't -- wouldn't -- so as I  
13 mentioned before, we use -- we leveraged market  
14 makers who would handle the selling of XRP on  
15 our behalf. Typically those market makers would  
16 sell on exchanges and we would not be privy to  
17 client data information on behalf of the  
18 exchanges' clients.

19 Q. Right.

20 So -- but beyond -- is it -- do you  
21 think in your experience working for Ripple, you  
22 could derive an understanding of who's  
23 purchasing XRP at these exchanges from sources  
24 other than, you know, the client data  
25 information?



1           A.    It would be hard to get that  
2   information without having access to the  
3   exchanges' client base.

4           Q.    So the exchanges' client base is the  
5   only way you think that -- well, the  
6   exchanges' -- is the -- is the exchange client  
7   base data the only way to sort of identify  
8   whether purchases of XRP are speculative  
9   investors or something else?

10                   MS. ZORNBERG:  Objection.

11           A.    There's probably other ways to gather  
12   general market information.  Publicly available  
13   sources; you know, websites that report on  
14   market moves; talking to other market  
15   participants for color, et cetera.  But given  
16   Ripple doesn't have a trading desk, we don't  
17   have direct relationships with the purchasers.

18           Q.    With who?

19           A.    The people who were purchasing through  
20   the exchanges.  It was done through the third  
21   parties, the market makers.

22           Q.    Right.

23                   But is -- is it fair to say that -- I  
24   mean, wasn't understanding the XRP markets  
25   important to you all at Ripple?

1 MS. ZORNBERG: Objection.

2 A. I did -- I did attempt to understand  
3 XRP markets, crypto markets, absolutely.

4 Q. Did you ask -- for example, to try to  
5 understand the XRP markets, did you ask the  
6 market makers to give you sort of information  
7 about the markets?

8 A. Yes. We regularly asked market  
9 participants at their OTC desks for what we call  
10 color, market color, regarding what they're  
11 observing in the markets.

12 Q. And in the context of these or other  
13 conversations that you might have had to  
14 understand the markets, it sounds like that's  
15 the context in which you came to understand that  
16 there could be speculators in the market as  
17 well?

18 A. Yeah. I mean, in general -- I don't  
19 know if it was through any one source. There  
20 was a number of sources we used to understand  
21 whatever market dynamics we could around XRP and  
22 around crypto markets broadly.

23 Q. Okay. So it -- it was through maybe a  
24 number of sources that you, Ms. Madigan,  
25 personally came to understand that there were

1 speculators in the XRP market.

2 A. Yes.

3 Q. Okay. And so now my question is, did  
4 you ever convey any of that information to  
5 Mr. Garlinghouse such that you might have  
6 conveyed to Mr. Garlinghouse and say, look, you  
7 know, my understanding of the market is there  
8 are some are speculators in the XRP market? Did  
9 you ever convey anything like that to him in sum  
10 or substance?

11 A. I don't recall anything specifically.  
12 My sense is that it's widely understood that the  
13 crypto markets are actively traded by  
14 speculators.

15 Q. And what's your sense based off --  
16 based on?

17 A. Again, those -- the many sources of  
18 information.

19 Q. Okay. And when you say your sense is  
20 that it's "widely understood," widely understood  
21 you mean at Ripple or widely you understood in  
22 the world?

23 A. In the world.

24 Q. Okay. Does that include Ripple?

25 A. Yes.



1 Q. Okay. Is it your sense that it's  
2 widely understood at Ripple that the XRP market  
3 is actively traded by speculators?

4 A. I don't know how many employees at  
5 Ripple, you know, are focused on markets  
6 specifically. Certainly within the markets  
7 team.

8 Q. Okay. So is it -- is it your sense  
9 that it's widely understood at Ripple's markets  
10 team that the XRP market is actively traded by  
11 speculators?

12 A. Yes.

13 Q. Is it --

14 THE COURT REPORTER: Actively  
15 traded by? I can't hear you.

16 MR. TENREIRO: Speculators.

17 Q. Answer again, please.

18 A. Yes.

19 Q. Okay. Is it your sense that it's  
20 widely understood by, say, Ripple's leadership  
21 that the XRP market is actively traded by  
22 speculators?

23 MS. ZORNBERG: Objection.

24 A. Yeah, I can't comment on speculating  
25 around individual members of leadership teams'

1 view on the markets.

2 Q. Well, have you ever, you know, given  
3 information to, for example, Ripple's board that  
4 might convey in sum or substance that the XRP  
5 market is actively traded by speculators?

6 A. So I never gave information to  
7 Ripple's board.

8 Q. Well, did you prepare -- did you help  
9 prepare documents that might have been presented  
10 to Ripple's board?

11 A. So I recall -- I actually didn't even  
12 recall, but -- except that you showed me a  
13 document earlier where we were commenting on a  
14 document that looked like it was for the board,  
15 but I don't recall in particular --

16 Q. Okay. Let me --

17 A. -- commenting on documents regularly.

18 Q. I'm sorry?

19 A. I don't recall --

20 THE COURT REPORTER: I didn't  
21 hear that.

22 A. Sorry. I don't recall frequently  
23 working on documents for the board. A document  
24 that was presented to me earlier refreshed my  
25 memory that I must have commented on something

1 for the board, but I don't recall that document  
2 offhand.

3 Q. Was -- did the markets team at Ripple  
4 have a view as to whether the fact that the XRP  
5 market is actively traded by speculators is good  
6 or bad for the XRP market?

7 A. No.

8 Q. No view either way?

9 A. No.

10 Q. Is the -- is active trading by  
11 speculators something that Ripple's market team  
12 desires?

13 A. We didn't have a view on good, bad or  
14 otherwise. That was just sort of a reality we  
15 observed.

16 Q. Did you ever take any steps to  
17 encourage trading by speculators in the XRP  
18 markets?

19 A. No.

20 Q. And I'm talking about the markets  
21 team.

22 A. No, none that I recall. And, again,  
23 actually, if I can ask you to clarify, I don't  
24 want to speak on behalf of an entire team, but I  
25 can speak to me.



1 Q. Yeah. Absolutely only speak on behalf  
2 of your knowledge of the team. Well, I'm asking  
3 you a little broader than "you," just as --  
4 as -- in your role as the head of  
5 the institutional markets --

6 A. Sure.

7 Q. -- team.

8 A. Sure.

9 Q. But only whatever you know.

10 So as far as you know, did the XRP  
11 markets team, you know, take steps to encourage  
12 speculative trading in the XRP market?

13 A. No.

14 Q. And, again, only as far as you know,  
15 did anyone else at Ripple take steps aimed at  
16 encouraging speculative trading in the XRP  
17 market?

18 A. No.

19 Q. If there were speculative trading in  
20 the XRP market, would that affect the liquidity  
21 of the XRP market?

22 A. Any trading of an asset impacts its  
23 liquidity.

24 Q. Okay. So how would trading by  
25 speculators impact the liquidity?

1           A.    It could help liquidity if there was  
2   more frequently traded volumes of XRP.  It  
3   depends what they were doing, how -- in those  
4   trades.  I mean, there's a lot of factors that  
5   would impact XRP's liquidity.

6           Q.    So I guess if specula -- speculators  
7   are trading in one direction, that would not  
8   help the liquidity?

9           A.    No.  Well, it's -- speculators can  
10  trade in many directions.  The one comment I  
11  made previously, which I'll reiterate, is that  
12  if there is significant one-sided flow in a  
13  market, it can --

14                   MR. TENREIRO:  Bless you.

15           A.    -- impact liquidity --

16                   THE WITNESS:  Bless you.

17           A.    -- negatively.

18           Q.    Okay.  Fair enough.

19                   Does that apply, though, to speculated  
20  -- speculative flow?  If it's, you know,  
21  significant one-sided flow by speculators --

22           A.    Yeah.

23           Q.    -- can that impact liquidity  
24  negatively?

25           A.    Yeah.

1 Q. And does that apply to significant  
2 one-sided purchase flow, by flow?

3 A. Yeah.

4 Q. Does that impact liquidity negatively?

5 A. It can, yes.

6 Q. Okay.

7 A. Any one -- any significantly sized  
8 one-directional flow tends to have a -- a  
9 significant impact on liquidity.

10 Q. And did Ripple's markets team, as far  
11 as you're aware, ever take steps to try to sort  
12 of make sure there wasn't too much, you know,  
13 one-sided purchase flow by speculators in the  
14 XRP market?

15 A. No.

16 Q. Okay. Did anyone else at Ripple ever  
17 make those efforts as far as you're aware of?

18 A. Not that I'm aware of.

19 Q. Okay.

20 THE WITNESS: Let's look at  
21 Exhibit 2.

22 (Whereupon, exhibit is presented  
23 and marked SEC Madigan Exhibit 2 for  
24 identification.)

25 MR. TENREIRO: And this will be



1 RPLI\_SEC 181347. It's three pages.

2 Sorry.

3 (Pause)

4 BY MR. TENREIRO:

5 Q. Ms. Madigan, who is [REDACTED] or

6 [REDACTED]

7 A. I think he worked in the  
8 accounting and ops team. I can't recall  
9 exactly.

10 THE COURT REPORTER: In the  
11 accounting what?

12 A. Oh, it says here "Revenue Operations  
13 Manager," but I -- I can't recall exactly his  
14 function.

15 Q. Okay. Do you see he references a BD  
16 deal with [REDACTED]?

17 A. I do.

18 Q. What is [REDACTED]

19 A. [REDACTED] is a company that, again, I  
20 don't know a ton about, but I know that they  
21 offer -- I believe they offer FX services and  
22 crypto services.

23 Q. And do you see a reference to "our CTS  
24 program"?

25 A. Yes.

1 Q. Sitting here today, do -- what do you  
2 understand him to be referring to?

3 A. So "CTS" was a term that was used  
4 before I joined. You can see here they're  
5 talking about last December. And I forget what  
6 it stands for, but I know it was related to the  
7 over-the-counter -- the OTC business, which, as  
8 I mentioned, wrapped up pretty much when we --  
9 when I joined.

10 Q. Over-the-counter sales of XRP?

11 A. Right.

12 Q. Okay. He says "As part of that deal,  
13 they intended to source the XRP sold through  
14 their mobile app to mom and pop crypto investors  
15 through our CTS program."

16 Do you see that?

17 A. I do see that.

18 Q. And what did -- what did you  
19 understand that to mean, that [REDACTED] was going  
20 to -- "intended to source the XRP sold through  
21 their mobile app to mom and pop crypto  
22 investors"?

23 A. So I don't recall -- this was two  
24 years ago at the time -- but I can attempt now  
25 to interpret it.

1           Okay. Reading it now, it looks to be  
2   referencing that -- that [REDACTED] was seeking to  
3   source the XRP from Ripple that they wanted to  
4   use in their app.

5           Q. And they wanted to sole -- sell it in  
6   their app to mom and pop crypto investors?

7           A. It looks that way.

8           Q. Why would Ripple want to partner with  
9   someone that was seeking to sell XRP to mom and  
10   pop crypto investors?

11          A. Well, this was done before my time, so  
12   I'm not sure what -- why or how they came to  
13   work with [REDACTED] in that regard.

14          Q. Does this refresh your memory as to  
15   whether Ripple took steps to get XRP into the  
16   hands of mom and pop crypto investors?

17          A. Again, this was done before my time,  
18   so I'm not going to speculate around what Ripple  
19   did or didn't do before when I was there.

20          Q. And so just to be clear, "mom and pop  
21   crypto investors," what -- what does that mean?  
22   You know, what -- that seems like a term that  
23   perhaps someone with your experience can  
24   explain.

25               MS. ZORNBERG: Objection.



1           A.    Yeah. I didn't write this and I don't  
2 know -- I couldn't recall, as you heard me say,  
3 which function [REDACTED] had. So I don't know what  
4 he's referencing here.

5           Q.    No, I understand you don't know what  
6 he's referencing. My question is, when you read  
7 it, what do you understand?

8           A.    "Mom and pop" to mean a -- a mom and a  
9 dad.

10          Q.    So, for example, like retail  
11 investors?

12          A.    Perhaps.

13                   MS. ZORNBERG: Objection.

14          A.    I don't know.

15          Q.    Speculative investors? Would that  
16 cover that?

17          A.    I -- I --

18          Q.    What your understanding is.

19          A.    I do not know.

20          Q.    You don't know what your understanding  
21 is?

22                   MS. ZORNBERG: Objection.

23          A.    No, I do not know what was meant here  
24 because I did not write this e-mail.

25          Q.    Okay. And in the front page it

1 says -- Mr. [REDACTED] says "Sure, it might make  
2 sense to loop [REDACTED] in this call as well  
3 given he's probably closest to them with overall  
4 relationship and CTS as part of a broader deal."

5 Who is [REDACTED]?

6 A. [REDACTED] is a former employee of  
7 Ripple who worked on the business development  
8 team.

9 Q. He did -- did he -- he did not work in  
10 the -- in your team, in the market sales team?

11 A. No, he worked in the business  
12 development team.

13 Q. And what was their role or what is  
14 their role?

15 A. Well, I don't --

16 MS. ZORNBERG: I'm sorry, what's  
17 the question?

18 MR. TENREIRO: What is -- what is  
19 [REDACTED] role?

20 MS. ZORNBERG: Today?

21 MR. TENREIRO: No. What was his  
22 role?

23 A. So I -- I -- I did not run the  
24 business development team, so I won't pretend to  
25 know their -- their mandate in any level of

1 detail. But I know that [REDACTED] was --  
2 managed some clients of ODI.

3 Q. Okay. Let's move to Exhibit 3.

4 (Whereupon, exhibit is presented and  
5 marked SEC Madigan Exhibit 3 for  
6 identification.)

7 (Pause)

8 A. Okay.

9 Q. Ms. Madigan, do you see this seems  
10 to -- sorry.

11 MR. TENREIRO: Did I read for the  
12 record? It's RPLI\_SEC 478900.

13 Q. This seems to reflect notes --

14 MS. LINSENMAYER: Excuse me.  
15 This is Robin. Can you hold your  
16 questioning, please, until the exhibit  
17 comes through from Dugan?

18 MR. TENREIRO: Sure.

19 MS. LINSENMAYER: Thank you.

20 MR. TENREIRO: It's on the  
21 screen, Robin. It's just that.

22 MS. LINSENMAYER: Oh, it's just  
23 that small part. Okay.

24 BY MR. TENREIRO:

25 Q. All right. Ms. Madigan, would you



1 agree this appears to be minutes from some  
2 meeting that was had between the comms team and  
3 the markets team?

4 A. It does appear to be the case.

5 Q. Okay. In the last asterisk,  
6 Mr. Samarasinghe writes "The markets team  
7 believes that communications should lead towards  
8 the building of credibility with sophisticated  
9 digital asset speculators."

10 Do you see that?

11 A. I do see that.

12 Q. Do you have any reason to -- do you  
13 have any reason to doubt that that accurately  
14 reflects the markets team's belief at the time?

15 A. So this was obviously authored by  
16 Dinuka. And while he stated it was a statement  
17 on behalf of the markets team, it's potentially  
18 just his view. And I don't recall the markets  
19 team's view in May of 2020 with respect to this  
20 specific topic.

21 Q. At any time did the markets team have  
22 the view that communications should lead towards  
23 the building of credibility with sophisticated  
24 digital assets --

25 THE COURT REPORTER: I'm sorry.

1 Repeat. I can't hear you, sir.

2 Q. At any time did the markets team have  
3 a view that communications should lead towards  
4 the building of credibility with sophisticate --  
5 sophisticated digital asset speculators?

6 A. So I mentioned Ripple's general view  
7 was that we wanted to be a responsible -- a  
8 responsible company in the crypto space. We  
9 offered -- we offered transparency through those  
10 markets reports and we always wanted to set an  
11 example of credibility and working with credible  
12 counterparts.

13 Q. And why -- why -- why specifically,  
14 though, credibility with sophisticated digital  
15 asset speculators? Why with them specifically?

16 A. I don't know why he specifically chose  
17 that subset in that specific bullet.

18 Q. And what do you understand by  
19 "sophisticated digital asset speculators"? Not  
20 what did he mean. What did you understand?

21 A. Yeah. This looks to be referencing a  
22 conversation around an article that had some  
23 incorrect data on XRP. So if you read through  
24 it, it looks to be an attempt to correct some  
25 mistakes that were in a publicly available

1 article.

2 Q. And why -- why would Ripple want to do  
3 that?

4 A. Because Ripple was interested in  
5 sharing as much transparency as possible around  
6 XRP. And it looks like it's referencing a  
7 mistake by -- I'm sorry, that was publicly  
8 available.

9 Q. And why was Ripple interested in  
10 sharing as much transparency as possible around  
11 XRP?

12 A. For many of the reasons we've  
13 discussed, which is we care about XRP. We have  
14 a lot of XRP. It's critical to the function of  
15 our ODL product and ensuring sufficient  
16 liquidity, and healthy orderly markets is  
17 something that we were focused on.

18 Q. How is sharing as much information as  
19 possible around XRP helpful to the functioning  
20 of your ODL products?

21 A. So, in general, as with traditional  
22 markets, transparency in markets is helpful to  
23 help people form a view on the markets.

24 Q. When you said "traditional markets,"  
25 what did you mean by "traditional markets"?



1 A. Traditional financial markets.

2 Q. Okay. "Transparency in markets is  
3 helpful to help people form a view on the  
4 markets"? Is that what you said?

5 A. I believe. I don't recall exactly  
6 what words I just used.

7 Q. Wouldn't transparency in markets be  
8 helpful to help people form a view in the  
9 markets?

10 A. Transparency is helpful in all  
11 markets, yes.

12 Q. Okay. And to the extent it's helpful  
13 in helping people form a view, how would  
14 transparency help people form a view? A view as  
15 to what?

16 MS. ZORNBERG: Objection.

17 A. A view on the market.

18 Q. A view about what aspect of the  
19 market?

20 A. Any aspect that's being contemplated.  
21 Here it looks like escrow.

22 Q. Can I please ask you to take a look at  
23 Exhibit 24, which is a five-page e-mail,  
24 RPLI\_SEC 478676.

25 MR. TENREIRO: Thank you. Here

1           you go.

2                       MS. ZORNBERG: Thank you.

3                       MR. TENREIRO: All right.

4                       (Whereupon, exhibit is presented

5                       and marked SEC Madigan Exhibit 24 for

6                       identification.)

7 BY MR. TENREIRO:

8           Q. And as you review, you know, there's a  
9           number of subheadings. Here I'm interested in  
10          what Mr. [REDACTED] wrote in "Infrastructure  
11          Listings/Integrations," but take as much time as  
12          you need --

13          A. Thank you.

14          Q. -- to review the e-mail, please.

15          A. I will.

16                       (Pause)

17          A. Okay. Sorry. Can you remind me what  
18          you said you wanted to focus on?

19          Q. Yes. Just the first part,  
20          "Infrastructure Listings/Integrations."

21          A. Sure.

22          Q. You see there's -- there appears to be  
23          a table. It lists mostly exchanges, also at  
24          least one custodian, at least on the first page  
25          where it says "Top 10."

1 Do you see that?

2 A. I do.

3 Q. Is this conversation that you're  
4 having with members of your team related to what  
5 we discussed at some point earlier that there  
6 might have been efforts by the team to get XRP  
7 listed on the exchanges?

8 MS. ZORNBERG: Object as to form.

9 A. So we talked earlier about the  
10 liquidity partnerships team which is -- [REDACTED]  
11 leads, and their primary focus was to build  
12 relationships with infrastructure partners  
13 across the board and to understand whether XRP  
14 was either already listed or had plans to be  
15 listed and to just kind of keep in touch with  
16 them so that we had a sense of what was  
17 happening in the markets and what their plans  
18 were with respect to XRP.

19 Q. As far as you know, did Ripple engage  
20 in efforts to persuade exchanges to list XRP?

21 A. When you say "persuade" --

22 THE COURT REPORTER: Repeat.

23 Repeat, please.

24 Q. As far as you know, did Ripple engage  
25 in efforts to persuade exchanges to list XRP?



1 THE COURT REPORTER: I'm sorry,  
2 to what XRP?

3 MR. TENREIRO: List, L-I-S-T.

4 THE COURT REPORTER: Thank you.

5 A. So I'd say Ripple in general is  
6 interested in seeing XRP trade on more  
7 exchanges, not less. In the interests of  
8 liquidity we've talked about before, sort of  
9 breadth of the market, many access points to XRP  
10 would be generally viewed as helpful for  
11 liquidity. And so Ripple does care to see that  
12 XRP is trading on many platforms.

13 Q. Okay. But my question was, did Ripple  
14 engage in efforts to persuade exchanges to list  
15 XRP?

16 A. I don't know --

17 MS. ZORNBERG: Objection as to  
18 form.

19 A. Yeah, "persuade"? I don't think I'd  
20 use that word. What we did do was engage with  
21 -- I shouldn't say "we." [REDACTED] and [REDACTED] in  
22 particular, did have these conversations with  
23 exchanges to understand what they -- whether XRP  
24 is already listed, if it would -- if not, would  
25 it be listed. Sometimes exchanges would ask for

1 information around XRP. We might provide  
2 helpful information around XRP and things like  
3 that. But I don't know if I'd call it  
4 persuading.

5 Q. Okay. To the extent that there were  
6 these conversations or interactions, perhaps  
7 providing information, what would you call it?  
8 Would you call it aiding or what would you call  
9 it?

10 A. Yeah, I -- I looked at this as sort of  
11 relationship management. That was the primary  
12 focus. Like, build relationships with these  
13 platforms and -- and make sure that we know  
14 where it's listed, if it's listed. Is it  
15 listed, you know, against one cross? many  
16 crosses? What sort of activities are happening?  
17 Whatever. So we can get a better sense of  
18 what's going on on those exchanges and whether  
19 they had intentions to -- to list XRP.

20 Q. And when you say "cross," is that, for  
21 example, XRP to U.S. dollar? XRP to some  
22 other asset?

23 A. Yes, that's what I meant.

24 Q. Okay. And so -- and you wanted to  
25 make sure that you knew where it's listed, if

1 it's listed, if it's listed, you know, against  
2 one cross, many crosses? Is that correct?

3 A. That is correct.

4 Q. And did you want to know the liquidity  
5 of those crosses as well?

6 A. Yes. Liquidity is always of interest  
7 to us.

8 Q. And did you come to find out  
9 information about liquidities of those various  
10 crosses?

11 A. Where -- where exchanges were  
12 comfortable sharing information, they would  
13 generally do it in broad strokes because they're  
14 not typically permitted to share really granular  
15 data.

16 Q. In the first one, it says "[REDACTED]  
17 Exchange. Goal: List cash-settled XRP future  
18 and options."

19 Do you see that?

20 A. I do.

21 Q. What is [REDACTED]

22 A. It's an exchange.

23 Q. Okay. Where is it located?

24 [REDACTED]

25 [REDACTED]



1 A. Yeah.

2 Q. It says "Met with Brad/[REDACTED] in May,  
3 unlikely to happen b4 SEC clarity on XRP."

4 Do you see that?

5 A. I do.

6 Q. What do -- what does that mean, "SEC  
7 clarity on XRP"?

8 A. Again, I didn't write this, but if  
9 you're asking me to read it now and interpret  
10 it, it looks like they were the feedback from  
11 the [REDACTED] when the team met -- which looks like it  
12 was Brad and [REDACTED] The feedback was that they  
13 were unlikely to list XRP until they had clarity  
14 from the SEC on XRP status.

15 Q. XRP status. What do you mean, "XRP  
16 status"?

17 A. I assume they mean security versus  
18 non.

19 Q. Okay. Did you come to learn that  
20 there were other such potential partners for  
21 Ripple that wanted to know the SEC's view on  
22 XRP?

23 A. I remember it came up in one other  
24 conversation which was [REDACTED] There may have  
25 been others, but I don't recall specifics.

1 Q. Which was [REDACTED]?

2 A. [REDACTED]

3 Q. Can you spell that?

4 A. [REDACTED]

5 Q. They also wanted to know the SEC's

6 view? You remember that came up?

7 A. Mm-hmm.

8 Q. Okay. And any other occasions where a

9 potential partner wanted to know the SEC's view?

10 A. As I said, I -- I'm sure that came up.

11 It may have come up in more than just those two

12 examples, but I just -- I don't recall specifics

13 offhand.

14 Q. What, if anything, did Ripple tell

15 those potential partners about the SEC's view of

16 XRP?

17 A. Well, I wasn't in --

18 Q. To the extent you know, obviously.

19 A. Excuse me?

20 Q. To the extent you know.

21 A. Yeah. So I -- as indicates with the

22 [REDACTED] line right here, this meeting happened

23 before I joined, so I don't know -- and I was

24 not an attendee so I don't know what was

25 discussed or communicated.

1 Q. I'm sorry, based on what?

2 A. Brad and [REDACTED] met with them before I  
3 joined.

4 Q. You mean because it says May?

5 A. Oh, well, it says that there, yes,  
6 but, also, I just remember that it was before I  
7 joined.

8 Q. Okay. But to the extent that, you  
9 know, [REDACTED] might have asked or other partners  
10 might have asked, what was Ripple telling them?

11 A. Understood. That that's your view.  
12 No problem.

13 Q. Did you provide them any information  
14 about the SEC's view on XRP?

15 A. I did not.

16 MS. ZORNBERG: Objection.

17 Q. Did you hear anyone at Ripple doing  
18 that?

19 A. I do not know.

20 Q. Did you have discussions with anyone  
21 at Ripple about the status of XRP under the  
22 securities laws?

23 A. I received --

24 MS. ZORNBERG: Hold on one  
25 second. Just -- and, again, anything you



1           answer should not disclose any legal  
2           advice.

3                   THE WITNESS: Oh. Well --

4                   MS. ZORNBERG: So if it's -- if  
5           it involves legal advice --

6                   THE COURT REPORTER: I can't hear  
7           you.

8                   MS. ZORNBERG: I said that the  
9           witness should not disclose anything --  
10          any communications with her that involved  
11          legal advice.

12                   MR. TENREIRO: So let me try this  
13          way because I believe she's right.

14          BY MR. TENREIRO:

15                  Q. So, you know, did you have  
16          conversations with your coworkers outside of  
17          lawyers, like, oh, I wonder what the status --  
18          you know, what the SEC thinks of XRP? Something  
19          like that?

20                  A. No. We received guidance from our  
21          legal team regarding XRP status.

22                  Q. Okay. And are you talking about  
23          before you received -- you received -- before  
24          the SEC filed a lawsuit?

25                  A. I don't recall -- it was soon after I

1 joined that the legal team made me aware of the  
2 fact that the SEC was looking into this issue.

3 Q. Okay. And I want -- okay. Let's move  
4 on.

5 And when you say "the legal team," are  
6 you talking about Ripple's in -- in-house  
7 lawyers or some -- some other lawyers?

8 A. Ripple's in-house lawyers. Our  
9 general counsel and deputy general counsel.

10 Q. Okay. Other -- and just to be clear,  
11 I think, just other than the guidance you might  
12 have received from the legal team, did you have  
13 conversations about that topic with anyone else  
14 at Ripple?

15 A. When you say "that topic," what do --

16 Q. What the SEC thinks of XRP.

17 A. No. The general references were just  
18 broad in nature. That we were given guidance  
19 that XRP is nonsecurities --

20 Q. Don't tell me what the guidance was.

21 A. Sorry.

22 Q. Just -- so let me just do it  
23 carefully.

24 You -- you said you "received guidance  
25 from our legal team regarding XRP status." I

1 don't -- thank you. I don't want to know what  
2 the guidance was.

3 Separate from the guidance you might  
4 have received, did you have any conversations  
5 with your coworkers about the -- the status of  
6 XRP vis-a-vis the SEC?

7 A. No. Just the -- the extent of it  
8 would have been we know that that's still  
9 outstanding --

10 Q. Mm-hmm.

11 A. -- legally.

12 Q. Right.

13 A. And so, like, when [REDACTED] for example,  
14 that one's top of mind, because I remember them  
15 saying "We wouldn't be comfortable listing that  
16 asset until we have that clarity." That type of  
17 thing might have come up, but otherwise, no.

18 Q. In the context of conversations such  
19 as [REDACTED] did Ripple express its views about the  
20 status of XRP, you know, vis-a-vis the SEC?

21 A. Did Ripple?

22 Q. Yes.

23 A. As a company?

24 Q. Well, you know, a Ripple employee,  
25 you, did you hear of someone? I'm simply asking



1 for your knowledge of what a Ripple  
2 representative might have expressed, if  
3 anything, you know, when that question came up.

4 A. I mean, that's super broad --

5 MS. ZORNBERG: Objection.

6 (Indiscernible cross talk; reporter  
7 requests one speaker.)

8 A. Sorry. I thought -- that question  
9 seemed broad. So you're saying specific to

10

11 Q. Well, yeah. Let's start with

12 A. Okay.

13 Q. Did you hear anyone --

14 MR. ANELLO: The question, as I  
15 understand it, is what someone in Ripple  
16 might have communicated to Not  
17 within Ripple, but to

18 A. Okay. So I was not on that call, so I  
19 wouldn't be able to tell you what they said back  
20 to

21 Q. Well, did you hear -- you know, did  
22 you hear somebody summarize the call in a way  
23 that you might know what happened in the call?

24 A. No. Just that we understood they were  
25 uncomfortable and were pending clarity. And

1 then when we would get clarity, we could  
2 reengage.

3 Q. More generally, beyond [REDACTED] if there  
4 were questions that any potential partner asked,  
5 was there sort of like a script that you were to  
6 supposed to give them of like --

7 A. No.

8 Q. -- here's Ripple's --

9 A. No.

10 MS. ZORNBERG: Objection.

11 THE WITNESS: Sorry.

12 THE COURT REPORTER: Excuse me.

13 Let each other finish. It's fast enough.

14 MS. ZORNBERG: Zornberg.

15 Objection.

16 MR. TENREIRO: I hadn't even  
17 finished, but okay.

18 So this is Jorge again.

19 BY MR. TENREIRO:

20 Q. More -- more generally beyond [REDACTED]  
21 was there some sort of script or answer you were  
22 supposed to give about Ripple's views as to the  
23 question of XRP status vis-a-vis the SEC if a  
24 potential partner asked?

25 MS. ZORNBERG: Objection.

1 A. No.

2 THE COURT REPORTER: If a  
3 potential? I can't hear you.

4 MR. TENREIRO: A potential  
5 partner asked. Ms. Zornberg objected.  
6 Ms. Madigan said no.

7 THE COURT REPORTER: I'm sorry.  
8 A potential partner ask?

9 MR. TENREIRO: Asked, A-S-K-E-D.

10 THE COURT REPORTER: Thank you.

11 MR. TENREIRO: You got the  
12 objection and the answer also?

13 THE COURT REPORTER: Yes -- no,  
14 not the answer.

15 A. The answer was no.

16 Q. Okay. Let's move on. Sorry.

17 Did -- did the markets team try to  
18 influence the XRP derivatives market in any way?

19 A. So what do you mean by "influence"?

20 Q. Well, did you take any steps with  
21 respect to the creation of an XRP derivatives  
22 market, for example?

23 A. So the markets team, in the way that I  
24 was just describing previously, built  
25 relationships with exchanges to better



1 understand what their plans were regarding XRP  
2 market development initiatives.

3 So, for example, we might talk to an  
4 exchange and they might say, "Hey, we list XRP  
5 now." And we might ask, "Do you have any  
6 intentions of trading in the derivatives market,  
7 creating a derivatives product?" Et cetera.

8 Q. And why would you ask those questions?

9 A. Because it's helpful to know about  
10 developments in the XRP markets and crypto  
11 markets broadly.

12 Q. For what purpose is it helpful to  
13 know?

14 A. Just to better understand upcoming  
15 market developments.

16 Q. Ms. Madigan, you have a Twitter  
17 account?

18 A. I do.

19 Q. Okay. And did there come times when  
20 you tweeted tweets that might have been  
21 suggested by Ripple's communications team?

22 A. Yes.

23 Q. Okay.

24 MR. TENREIRO: Let's look at  
25 Exhibit 69, please, which is a tweet of

1           October 25th, 2019.

2                       (Whereupon, exhibit is presented  
3           and marked SEC Madigan Exhibit 69 for  
4           identification.)

5                       MR. TENREIRO: One -- a couple  
6           here. Three for Lisa. Oops. I'm so bad  
7           at that. 69. 69.

8       BY MR. TENREIRO:

9           Q.    Okay. Is that your Twitter account?

10          A.    That is my Twitter account.

11          Q.    Okay. I just -- did -- is this a  
12       tweet that you sort of made on your own or was  
13       this suggested by the Ripple's communication  
14       team?

15          A.    I made on my own.

16          Q.    Okay. And it says "Oh hello, Friday  
17       rally."

18                       Do you see that?

19          A.    Mm-hmm.

20          Q.    What do you mean by "rally"?

21          A.    I am talking about what I thought  
22       would happen in the overall crypto market based  
23       upon [REDACTED] tweet.

24          Q.    Based on whose tweet?

25                       THE COURT REPORTER: Based upon?

1 I'm sorry, based upon what?

2 THE WITNESS: The -- the author  
3 is [REDACTED]

4 Q. And what did you think would happen on  
5 the overall crypto market based upon [REDACTED]  
6 tweet?

7 A. That China -- there was comments that  
8 China was going all in on Blockchain tech across  
9 their entire economy. So I thought there was  
10 going to be -- it would generate interest in  
11 crypto broadly.

12 Q. Does "rally" mean interest -- increase  
13 in price?

14 A. Well, it -- it can reference price,  
15 yeah.

16 Q. Yeah, I know, but I'm asking what you  
17 meant in this tweet since you tweeted it.

18 A. Yeah, I expected new participants to  
19 come into the market on the back of China making  
20 that announcement.

21 Q. And did you expect that to increase  
22 the prices in the crypto market?

23 A. Potentially.

24 Q. Okay. Why is that something you  
25 wanted to tweet about?



1           A.    I was excited about new entrants  
2 coming into crypto.

3           Q.    Okay.  Let's -- one second.

4                   MR. TENREIRO:  Yeah.  Let's look  
5 at Exhibit 67, please, which is a  
6 three-page e-mail, RPLI\_SEC 200554.

7                   (Whereupon, exhibit is presented  
8 and marked SEC Madigan Exhibit 67 for  
9 identification.)

10                  MR. TENREIRO:  Here you go.

11                  (Pause)

12 BY MR. TENREIRO:

13           Q.    Ms. Madigan, this series of e-mails  
14 around July 17, 2019, what are they about?

15           A.    It looks like this may be tied into  
16 the previous markets report discussions that you  
17 had raised.

18           Q.    And do you see there's a reference to  
19 a tweet by [REDACTED]?

20           A.    Yes.

21           Q.    Who is that?

22           A.    I forget where -- I think he worked at  
23 [REDACTED] but I'm not certain.

24           Q.    What's [REDACTED]

25           A.    It's a crypto research platform.

1 Q. Okay. When you write on the first  
2 page "Totally agree on the messaging. This  
3 report is a big opportunity for us to shift the  
4 narrative here and sentiment moves markets,"  
5 what did you mean by "sentiment moves markets"?

6 A. I'm sorry, where are you? I'm look --  
7 at the beginning part of the e-mail or where --

8 Q. At the front page.

9 A. Okay. Sorry. Let me read it. Okay.  
10 Excuse me.

11 Q. No problem.

12 A. And -- sorry, repeat the question.

13 Q. Yes.

14 What did you mean by "sentiment moves  
15 markets"?

16 A. We talked about this before a little  
17 bit and "sentiment" is just a word used to kind  
18 of characterize how people feel about the  
19 market.

20 Q. If people feel good about the market,  
21 how does that move the market?

22 A. Well, it depends if they want to buy,  
23 if they want to sell. You know, not -- you  
24 can't -- I can't generalize for how individuals  
25 react across the entire market.

1           Q.    You say here "sentiment moves  
2   markets."   So you're not talking about the  
3   entire market there?

4           A.    Sent -- so --

5                   MS. ZORNBERG:  Objection.

6           A.    Yeah.  No, I'm not talking about the  
7   entire -- I mean, sentiment is something that  
8   can have an impact on how people trade in the  
9   markets.

10          Q.    Okay.  When you -- when you say "moves  
11   markets," are you talking about the price in the  
12   market or what -- or something else?

13          A.    Could be how they trade, what they  
14   trade, what they choose to trade, how they --  
15   how they choose to trade.

16          Q.    Okay.  But can you -- you just give me  
17   examples of how, in your view, sentiment moves  
18   markets?  So what -- you know, an example with  
19   good sentiment, an example of bad sentiment, how  
20   the market might move?

21          A.    Yeah.  So good sentiment might make  
22   people want to buy.  Good sentiment might make  
23   want to people shift into different assets.  
24   Good -- bad sentiment might make me want to  
25   sell.  There's -- there's many different ways to



1 interpret that.

2 Q. Okay. Is it fair to say that you  
3 wanted to shift the narrative with the report  
4 that you're discussing in these e-mails?

5 A. So I don't recall this specific  
6 e-mail, but I do recall that [REDACTED] -- or  
7 however you say his name -- would often issue  
8 statements and reports around XRPs, some of  
9 which had misinformation.

10 Q. And is it fair to say that you wanted  
11 to -- Ripple wanted to correct that  
12 misinformation to the extent it was out there by  
13 miss -- you know, by [REDACTED]

14 A. Yes.

15 THE COURT REPORTER: Cannot hear  
16 you.

17 Q. I said is it fair to say that you  
18 wanted -- that Ripple wanted to correct that  
19 misinformation to the extent it was out there  
20 by -- put out there by [REDACTED]

21 And the answer?

22 A. Yes. In general, Ripple is focused on  
23 having transparency around XRP in the market.

24 Q. Okay. In the second page of the  
25 e-mail, it says -- you say "Worth highlighting

1 that we haven't contemplated incorporating any  
2 commentary re: insiders' selling, which [REDACTED]  
3 spends" a bit -- "a fair bit of time on (and my  
4 view is that we should not.) LMK" -- I assume  
5 that means let me know -- "if differing opinions  
6 here."

7 Do you see that?

8 A. Mm-hmm.

9 Q. Okay. Yes or no, please. Sorry.

10 Just --

11 A. Yes.

12 Q. Okay.

13 A. I see that.

14 Q. Why was it your view that you should  
15 not spend time on commentary re: insiders'  
16 selling?

17 A. I'm not -- I don't remember what this  
18 specific [REDACTED] linked comment here ref --  
19 referenced.

20 MR. TENREIRO: Let's pull up  
21 Exhibit 68, please. See if she remembers.

22 (Whereupon, exhibit is presented  
23 and marked SEC Madigan Exhibit 68 for  
24 identification.)

25 BY MR. TENREIRO:

1 Q. Exhibit 68 is going to be a tweet of  
2 July 17th, 2019. And you can verify that the  
3 link is the same one included in the e-mail  
4 chain that we're discussing in Exhibit 68.

5 (Pause)

6 Q. Ms. Madigan, is it fair to say  
7 generally that the tweet in question refers to  
8 his deep dive on XRP circulating supply?

9 A. It appears to focus on that, yes.

10 Q. Okay. So going back to the exhibit  
11 and with the tweet for context, can you please  
12 explain why it was your view that you should not  
13 spend time incorporating commentary on insiders'  
14 selling?

15 A. I don't recall why at that point in  
16 time I wrote this. However, if I look at it  
17 today, when I read the -- this thread from  
18 [REDACTED] it seems like these are individuals,  
19 not -- not Ripple. And -- and our general  
20 approach was to comment on what Ripple was doing  
21 with its stake.

22 Q. And why is that? Why was that,  
23 rather?

24 A. Why was what? Sorry. Clarify the  
25 question.



1 Q. Yeah. Why was it your general  
2 approach to comment on what Ripple was doing  
3 with its stake, not the individuals?

4 A. Because I'm an employee of Ripple and  
5 focused on the mandate of my job, which was  
6 focusing on Ripple's XRP supply.

7 Q. And did Ripple have information about  
8 what individuals were doing with their XRP?

9 A. I did not, but others may have.

10 Q. Okay. And but -- so I'm trying to  
11 understand. I think earlier you mentioned  
12 transparency is good for markets and -- and I  
13 think you also said generally that Ripple wanted  
14 to encourage transparency in these markets. I  
15 think you even said it might help your ODL  
16 product.

17 So to the extent that you had  
18 information about individuals' activities with  
19 respect to XRP, why was it your view that you  
20 should not discuss that information?

21 MS. ZORNBERG: Objection.

22 A. Again, I viewed my focus and my role  
23 as communicating around Ripple's stake of XRP  
24 and different initiatives and activities related  
25 to that.

1 Q. Would transparency about individuals'  
2 activities with respect to XRP be helpful or  
3 hurtful to the XRP market in your view?

4 A. I -- it depends on what that activity  
5 is and I was not privy to that activity.

6 Q. And so when you said your view -- your  
7 -- it -- "and my view is that we should not,"  
8 the reason for that was because you thought  
9 Ripple shouldn't comment on what other people  
10 were doing with their XRP, in other words?

11 A. Again, my focus was on Ripple's stake  
12 of XRP and the activities around that. And so  
13 that's what I was focused on.

14 Q. If there was -- oh, never mind.

15 Okay. Let's -- one second. Let's  
16 look at 70, please.

17 MR. BAMBERGER: Jorge, before we  
18 go on to Exhibit 70, can we get Exhibit 68  
19 circulated?

20 MR. TENREIRO: Dugan, did you get  
21 68 circulated?

22 MR. BLISS: This is Dugan. Yes.  
23 I'm sorry. I had a network problem. It  
24 shut down for a couple of minutes. But  
25 they're being circulated right now, 68 and

1           70.

2                   MR. TENREIRO: Thank you. Thank  
3           you, Nowell. Thank you, Daphna.

4                   (Whereupon, exhibit is presented  
5           and marked SEC Madigan Exhibit 70 for  
6           identification.)

7           A. Okay.

8           Q. Oh, sorry.

9                   MR. TENREIRO: Okay. For the  
10          record, Exhibit 70 is RPLI\_SEC 261522, a  
11          two-page document.

12          Q. Ms. Madigan, do you see a reference to  
13          FUD, F-U-D, in this e-mail?

14          A. Yes.

15                   MS. LINSENMAYER: Jorge, please  
16          hold your questioning until we receive the  
17          e-mail from Dugan.

18                   MR. TENREIRO: It's on the  
19          screen, but okay.

20                   MS. LINSENMAYER: Yeah, it's  
21          multiple pages and it's not really  
22          feasible to scroll through it.

23                   Okay. It arrived. Thank you.

24                   MR. TENREIRO: Great.

25          BY MR. TENREIRO:



1 Q. Ms. Madigan, for the record, what does  
2 "FUD" refer to, F-U-D?

3 A. Fear, uncertainty and doubt.

4 Q. Okay. There's an e-mail from  
5 Mr. Garlinghouse on August 15, 2019, copying you  
6 and others. He says "Team, I will not be on the  
7 call this morning - but I'm curious." You  
8 know, I'm skipping a little bit, but -- well,  
9 let me just read. "I'm curious (in light of  
10 what appears" to be -- "what appears to me to be  
11 an increasingly level of FUD and generally false  
12 narratives about Ripple and XRP) whether this  
13 group has done (or can do) some brainstorming  
14 about whether we should proactively correct the  
15 record on critical points that seem to be  
16 persisting. I would assert that our silence  
17 isn't good for anyone in the XRP system."

18 Do you see that?

19 A. I do.

20 Q. Do you agree with Mr. Garlinghouse's  
21 assertion that Ripple's silence isn't good for  
22 anyone in the XRP ecosystem?

23 A. I -- my view is that transparency with  
24 respect to XRP and Ripple's activity with XRP  
25 is -- is helpful to the market and that if

1     there's misinformation in the market, it's  
2     helpful to correct it.

3           Q.   Does that view apply, though, with  
4     respect to activities by individuals that hold  
5     XRP that are not Ripple?

6                     THE COURT REPORTER:   Repeat the  
7     last part.   I can't understand that.

8           Q.   Does that view apply, though, with  
9     respect to activities by individuals that are  
10    not Ripple that hold XRP?

11          A.   Excuse me.   I do not feel -- did not  
12    have appropriate information nor did I feel in  
13    any way responsible for commenting on  
14    individuals' stakes and what they were doing  
15    outside of Ripple.

16          Q.   Then Mr. Will asks you, it seems, "Any  
17    sense of FUD of what he's talking about?"

18                     Do you see that?

19          A.   I do see that.

20          Q.   And you respond "Some of" the art --  
21    "some of those articles Dinuka linked in the  
22    deck.   Twitter verse doesn't like hearing about  
23    another 1bn XRP on **Coil** either.   It's the same  
24    narrative about us 'dumping' XRP on the market."

25                     Do you see that?

1 A. I do. Excuse me.

2 Q. What does "Twitter verse" mean?

3 A. So there's -- it refers to comments on  
4 Twitter.

5 Q. Okay. And you say here "Twitter verse  
6 doesn't like hearing about another 1 billion XRP  
7 on Coil either."

8 What do you mean there?

9 A. So I don't recall exactly what the  
10 "Coil" reference is, but -- but the general  
11 sentiment in reading it right now is that in  
12 linking Brad's e-mail to my response, it appears  
13 to be that there's a -- a narrative in the  
14 Twittersphere that Ripple's dumping and it  
15 seemed like it was incorrect information.

16 Q. Okay. And what's the basis for your  
17 assertion that the narrative on Twitter is that  
18 they don't like Ripple's dumping of XRP?

19 A. I don't recall, you know, what I  
20 looked at at that point in time, two years ago,  
21 but in general, as -- as Brad's e-mail notes,  
22 false narratives are not helpful and we -- we  
23 tended to take an opportunity to correct false  
24 information where possible.

25 Q. Why?



1           A.    Because Ripple believes that  
2   transparency around XRP and our activities with  
3   XRP is good, responsible behavior.

4           Q.    And why would the Twitter verse not  
5   like dumping of XRP on the market?

6           A.    So we talked earlier about how large  
7   one-sided trades can be disruptive to liquidity.  
8   And so if there's misinformation about large  
9   one-sided trades, that would not be helpful to  
10   liquidity and it would not be helpful to the ODL  
11   product.

12          Q.    Have you heard of the term "whale" in  
13   the context of crypto markets?

14          A.    I have heard the term.

15          Q.    What does it mean?

16          A.    Well, I've never used it, but I --  
17   I've seen it used and I think it references  
18   people who are large holders of -- of crypto.

19          Q.    Have you ever seen the Twitter verse  
20   not liking hearing about large unidirectional  
21   buys of XRP in the market?

22          A.    I do not know.

23          Q.    Have you ever had occasion to express  
24   to your coworkers that, you know, you're con --  
25   that you've seen a concern on Twitter because

1 there's just too many buys in one direction in  
2 the XRP market?

3 A. I don't recall.

4 Q. And here you were talking about --  
5 did -- did Ripple take any steps to, you know,  
6 talk about false narratives with respect to 1  
7 billion XRP on **Coil**?

8 A. I don't remember in specific reference  
9 to **Coil**, but I know that over the past two-plus  
10 years I've been at Ripple, we have in some  
11 instances taken the opportunity to correct false  
12 information.

13 Q. But who's **Coil** or what is **Coil**?

14 A. **Coil** is a company. I don't recall  
15 exactly what they do, but I know they were  
16 affiliated with Xpring.

17 Q. And what information was false in this  
18 context?

19 A. I don't recall because I don't recall  
20 this specific example.

21 Q. Okay. But if -- so in your -- in your  
22 employment at Ripple, if there was false  
23 information or what you perceived to be false  
24 information with respect to Ripple's activities,  
25 you felt like that needed to be addressed.

1 Is that fair?

2 MS. ZORNBERG: Objection as to  
3 form.

4 A. Yeah. Here --

5 Q. Yeah, I'm taking a step away from the  
6 e-mail for one second.

7 A. Sure.

8 Q. I'm just asking generally.

9 If -- if -- if you saw or perceived in  
10 the market what you perceived to be false  
11 information about Ripple's activities, that's  
12 something that you might consider addressing?

13 A. Yeah. The comms team might consider  
14 addressing.

15 Q. And is it fair to say that sometimes  
16 you might be involved in, you know, how to  
17 address those -- those issues?

18 MS. ZORNBERG: Objection. "You"  
19 is unclear. And you're asking it as an  
20 "if" question, as a hypothetical?

21 MR. TENREIRO: No.

22 Q. Is it fair to say that sometimes you  
23 were, in fact, involved -- you, Ms. Madigan,  
24 specifically were, you know, involved with the  
25 comms team's considerations of possible ways to



1 address misinformation in the market about  
2 Ripple's activities?

3 A. I would not say that I was involved  
4 with the ways to correct misinformation.  
5 However, periodically the comms team might reach  
6 out and say, This looks false. Is this correct  
7 or -- is it correct or incorrect? Can you  
8 check, you know, XYZ data point? And we --  
9 somebody on my team might assess the data and  
10 respond.

11 Q. So almost like providing them the data  
12 to respond?

13 THE COURT REPORTER: Repeat.

14 Q. Almost like providing them the data to  
15 respond?

16 MS. ZORNBERG: Object to form.

17 A. Not necessarily, no. It was -- we  
18 would answer the question that they would pose.  
19 So it's not providing the data per se. The  
20 comms team would make the decisions around if  
21 they wanted to reach out and correct the record.

22 Q. Okay. And with respect to activities  
23 by **Coil**, would you consider that to be  
24 activities by Ripple or activities by somebody  
25 else?

1 MS. ZORNBERG: Objection.

2 A. I don't know Ripple's relationship  
3 with Coil.

4 Q. Well, to the extent that you're  
5 talking about Coil here, you -- I think you said  
6 you believed they were related to Xpring, right?

7 A. Yeah. That's my vague recollection,  
8 but I don't recall specifically what Coil did or  
9 what the relationship was between Ripple and  
10 Coil.

11 Q. And do you recall -- or we can go back  
12 to the exhibit -- where there was a comment to  
13 the market report about announcements of [REDACTED]  
14 [REDACTED] deals with 20 companies on Xpring.

15 Do you recall that generally?

16 A. I do.

17 Q. And that was with respect to Xpring,  
18 right?

19 A. That was, yes.

20 Q. Okay. So when you were considering  
21 information in the market, the Xpring companies,  
22 would you consider those part of Ripple's  
23 activities or separate activities?

24 MS. ZORNBERG: Objection.

25 A. I'm not familiar enough with -- with

1 Xpring in any granular detail to comment on  
2 their relationships with these external  
3 companies.

4 Q. Okay.

5 THE COURT REPORTER: I'm sorry.

6 "With Xpring in any granular detail" --  
7 repeat.

8 A. Okay. I'm not familiar enough with  
9 Xpring's relationships with any of these other  
10 companies to comment.

11 Q. And the term "FUD" -- fear,  
12 uncertainty and doubt -- does that include  
13 misinformation?

14 A. I -- well, I -- "FUD" is a term that I  
15 heard through Brad. I don't know how it's  
16 legally defined.

17 Q. What does it mean to you? is the  
18 question.

19 A. Yeah, some -- sometimes it could be  
20 coupled with misinformation.

21 MR. TENREIRO: Let's look at  
22 Exhibit 71.

23 (Whereupon, exhibit is presented  
24 and marked SEC Madigan Exhibit 71 for  
25 identification.)



1 THE WITNESS: I would like to go  
2 to the bathroom.

3 MR. ANELLO: After this exhibit,  
4 we'll --

5 THE WITNESS: Yeah, that's fine.

6 MR. TENREIRO: Seventy-one is two  
7 pages, 181671.

8 THE WITNESS: Okay. Where are  
9 we?

10 (Pause)

11 A. Okay.

12 Q. All right. So the first e-mail at the  
13 back references: "Hi, Breanne: Following the  
14 thread with Brad on MGI progress and potential  
15 tweets that could help combat FUD, we drafted  
16 the below for you to tweet out."

17 Do you see that?

18 A. I do.

19 Q. Does "MGI" there refer to --

20 MS. LINSENMAYER: Jorge, can you  
21 please hold your questioning until we  
22 receive the exhibit from Dugan?

23 MR. TENREIRO: So the second part  
24 is -- can you put the second part of the  
25 screen, please, the second page, Ladan?

1           There. There you go.

2       BY MR. TENREIRO:

3           Q.   Is "MGI" referring to MoneyGram there?

4           A.   Yes.

5           Q.   Okay. Do you recall --

6                       MR. BAMBERGER: Stop. Jorge,  
7           stop. You're not asking questions about  
8           the document until it's circulated. It's  
9           a multipage document.

10                      MR. TENREIRO: Let's go off the  
11           record. The witness wants to go to the  
12           rest room. It's a good time. We can  
13           leave the document.

14                      THE VIDEOGRAPHER: The time right  
15           now is 3:51 p.m. We are off the record.

16                      (Whereupon, a recess is taken.)

17                      THE VIDEOGRAPHER: The time right  
18           now is 4:05 p.m. We're back on the  
19           record.

20                      MR. TENREIRO: Robin?

21                      MS. LINSENMAYER: Jorge, this is  
22           Robin. Hopefully the tech problems are  
23           resolved at this point, but to the extent  
24           that there is a delay in our receiving the  
25           documents by e-mail, you need to wait and

1 pause your questioning unless the document  
2 is small enough to fit on the screen. We  
3 cannot meaningfully participate in the  
4 depos if we are not in a position to  
5 review the entire document.

6 So I'd ask that you please wait.  
7 This was your choice. You could have  
8 sent us these documents in advance and  
9 you chose not to. It needs to come out  
10 of your deposition time.

11 MR. TENREIRO: Okay.

12 BY MR. TENREIRO:

13 Q. Ms. Madigan, referring back to Exhibit  
14 71, do you see we were discussing a potential  
15 tweet that could help combat FUD.

16 Do you see that?

17 A. Yeah. Sorry.

18 Q. On the back part.

19 A. On the back part.

20 Q. Mm-hmm.

21 A. Yes.

22 Q. Did you make this tweet?

23 A. I don't recall, but I -- some -- some  
24 version of this I remember.

25 Q. Now, reading the tweet as it's



1 suggested here, what -- what type of FUD, what  
2 specific type FUD, would this tweet be  
3 combating?

4 A. I don't recall specifically.

5 Q. Would you have discussed with the  
6 team, you know, to the extent you're making --  
7 you're asking me -- suggesting that I tweet  
8 something, what -- you know, are we trying to  
9 accomplish here?

10 A. I'm sorry, could you repeat the  
11 question?

12 Q. To the extent that the team was  
13 suggesting to you that you make a tweet or  
14 asking you to --

15 A. Uh-huh.

16 Q. -- would you discuss with them, Hey,  
17 okay, it sounds good, but, you know, what are we  
18 trying to accomplish here?

19 MS. ZORNBERG: Object to form.

20 A. It -- it depends on the occasion and  
21 the specific topic, et cetera, whether I was  
22 familiar, et cetera.

23 Q. At the front of it, do you see -- at  
24 the front of the -- the front page --

25 A. Sure.

1 Q. -- where you see "Agree CL is more  
2 important."

3 Is that a reference to Mr. Larsen?

4 A. Usually when I used "CL" it was Chris,  
5 yeah.

6 Q. Okay. What do you mean by "CL is more  
7 important"? Is it it's more important what he  
8 tweets? Is that what you're talking about?

9 A. No. No, he must have been -- [REDACTED]  
10 must have been working on something for Chris,  
11 but I don't recall what it was.

12 Q. Okay. And going back to the actual  
13 tweet, you know, the -- it says "recommend you  
14 initiate the tweet given it falls within your  
15 focus area."

16 A. Mm-hmm.

17 Q. Then it says "MGI plus XRP volumes" --

18 A. Uh-huh.

19 Q. -- "new (and notable) data shows that  
20 although overall crypto trading volume was down  
21 nearly 65 percent, XRP/MXN volumes on Bitso were  
22 not more than 25 percent - during the same" time  
23 period -- sorry, "during the same period of time  
24 that MoneyGram payments into Mexico using XRP  
25 went live. A real use case driving real

1 volume."

2 Do you see that?

3 A. I do see that.

4 Q. Okay. Why would the market care about  
5 a real use case driving real value? The XRP  
6 market.

7 A. So, in general, assets that have  
8 utility such as XRP in the cross-border payments  
9 world and showing that -- demonstrating that  
10 there's a real use case that XRP is solving is  
11 something that excited me in general about  
12 coming into crypto to begin with, derive --

13 THE COURT REPORTER: Please slow  
14 down and speak up.

15 THE WITNESS: Sorry.

16 A. Is something that excited me about  
17 coming into crypto and -- and Ripple in  
18 particular, the opportunity to use digital  
19 assets to solve real-world problems. In this  
20 case, cross-border payments.

21 Q. And my question: Why would the market  
22 care about a real use case driving real value?  
23 Why would the XRP market care?

24 A. Because it's a --

25 MS. ZORNBERG: Objection. You



1           said real value. The --

2                       MR. TENREIRO: Sorry, real  
3           volume.

4           A. Yeah. So as I mentioned, we track, as  
5   do many market participants, multiple attributes  
6   of XRP as well as crypto overall, including  
7   volume, spreads, price, a whole bunch of  
8   different metrics that are interesting to market  
9   participants.

10          Q. Is having a real use case for XRP  
11   something that Ripple is interested in?

12          A. So ODL, the flagship software  
13   platform, is the use case that Ripple's focused  
14   on and that we use XRP in for cross-border  
15   payments.

16          Q. Okay.

17          A. So, yes, Ripple cares about XRP as  
18   a -- having utility in that capacity.

19          Q. And this is the -- the -- the product  
20   you explained was launched a few months after --  
21   a couple months after you started?

22          A. Yeah. I can't remember exactly when,  
23   but right around the time I started.

24          Q. Mm-hmm. Does -- do you have -- does  
25   the XRP market care about having a use case for

1 XRP?

2 A. I can't speak for -- when you say "the  
3 XRP market," who do you -- and what do you mean  
4 by that?

5 Q. Market participants. You know, to the  
6 extent you've formed and expressed views in  
7 e-mails, for example, about what the Twitter  
8 verse is saying or FUD, you know, your -- your  
9 perception of the XRP market.

10 Do they care about XRP having a use  
11 case?

12 A. Well, I can't speak on behalf of a  
13 broadly defined XRP market, but -- but I --  
14 having a use case is interesting to me.

15 Q. Why would a -- a use case drive the  
16 volume?

17 A. Well, if -- if the -- in the example  
18 of ODL, the platform is delivering value to the  
19 end users, say MoneyGram in that example. And  
20 so if it's delivering -- solving a problem to  
21 them, delivering value to them, they may want to  
22 use it more.

23 Q. And using it more means more volume?

24 A. Yeah.

25 Q. And more volume is a good thing?

1           A.    Or they could use it more often with  
2   less volume.  It doesn't necessarily mean more  
3   volume.  I should clarify.

4           Q.    In this context, is more volume a good  
5   thing for the XRP market?

6           A.    Well, what do you mean by "a good  
7   thing" for the market?

8           Q.    Promote -- you know, promotes a  
9   healthier market as the term -- you've been  
10   using the term "healthier market"?

11          A.    Yes.  So -- so volume, spread, all  
12   those things that we talked about is -- that  
13   impact liquidity are measures that are  
14   considered in aggregate as you think about  
15   assessing the overall health and liquidity.

16          Q.    And when you -- when the ODL product  
17   launched, you know, in the months following your  
18   arrival at Ripple --

19          A.    Mm-hmm.

20          Q.    -- were there market makers providing  
21   XRP/MXN liquidity?

22                   THE COURT REPORTER:  XRP and XM?

23                   I'm not --

24                   MR. TENREIRO:  MRP -- MXN,

25                   Mexican peso.  MXN.



1 A. Okay. So, sorry, can you repeat the  
2 question?

3 Q. Yes.

4 A. In the time what?

5 Q. Yeah. You know, in the -- when the  
6 ODL product launched --

7 A. Yes.

8 Q. -- were there market makers providing  
9 XRP and MXN liquidity?

10 A. Yes.

11 Q. And were those market makers -- you  
12 know, did they have a relationship to Ripple?

13 A. Yes.

14 Q. What was the relationship?

15 A. So I know at least [REDACTED] and  
16 GSR I believe were both on -- on Bitso, which is  
17 the exchange in Mexico, providing markets for  
18 ODL.

19 Q. What was the relationships to Ripple  
20 of [REDACTED] and GSR?

21 A. They served as market makers for  
22 Ripple to support ODL.

23 Q. There was an agreement of some sort  
24 between Ripple and these two?

25 A. Yes.

1 Q. Payments -- did Ripple make payments  
2 to these two with respect to their market-making  
3 activities specifically on the Bitso exchange?

4 A. Yes.

5 Q. Okay. And were the market make --  
6 what were the market-making activities that GSR  
7 or [REDACTED] provided on Bitso? Just I'm  
8 talking about the Bitso side for now.

9 A. Sure. They provided bids and offers  
10 in the order book. We were talking earlier  
11 about healthy liquidity. In order for the ODL  
12 payments to successfully complete the  
13 transaction from the originating leg through the  
14 cross-border flow and then into the destination  
15 corridor -- Mexico in this example -- it's  
16 imperative that there's enough volume and  
17 liquidity on the -- on the destination  
18 exchange -- Bitso in that example -- in order  
19 for the trade to settle. And so the market  
20 makers would provide markets on Bitso.

21 Q. And so just to give a -- I want to  
22 simplify an example so -- to see if we can get  
23 on the same page.

24 In -- in this context, I'm here. I  
25 want to send money to Mexico.

1 A. Mm-hmm.

2 Q. I have dollars. My mother in Mexico  
3 wants pesos. So is -- is that -- and the -- and  
4 ODL is meant to sort of facilitate that  
5 transfer? Is that generally speaking -- I'll  
6 get into the details, but is that generally  
7 speaking the purpose?

8 A. Sort of. So when you said you're here  
9 and your mom is in Mexico, just to be clear, it  
10 was enterprise clients, like MoneyGram. Their  
11 end users might be an example like you cited,  
12 but they wouldn't directly face Ripple in the  
13 ODL --

14 Q. Understood.

15 A. -- workflow.

16 Q. That's right. So -- thank you.

17 So the -- the enterprise client like  
18 MoneyGram faces Ripple, but MoneyGram's clients  
19 would be, just, say, me and my mom in the  
20 example?

21 A. Could be. Absolutely.

22 Q. And so I have what we call fiat  
23 dollars and the person in Mexico that's  
24 MoneyGram's ultimate client wants fiat pesos,  
25 correct?



1 A. Correct.

2 Q. Okay. And those fiat pesos come from  
3 where when the XRP is sold in the Bitso  
4 platform?

5 A. So the -- when the XRP is sold on the  
6 destination exchange, it's sold for Mexican  
7 pesos.

8 Q. So somebody buys the XRP in exchange  
9 for Mexican pesos?

10 A. So the -- right. The -- the  
11 transaction, depending on which side you're on,  
12 one person's buying and one person's selling it.

13 Q. And the market makers in the example,  
14 what were they doing in the Bitso platform?

15 A. They were providing two-sided markets  
16 for XRP/MXN.

17 Q. Two-sided markets?

18 A. Meaning bid/ask.

19 Q. Excuse me.

20 Were they buying XRP for Mexican  
21 pesos?

22 A. So in that workflow, the market makers  
23 would be buying Mexican -- buying Mexican pesos  
24 and selling XRP. Or at least -- actually, let  
25 me -- let me correct that. The market makers

1 were making the market on the trade but I don't  
2 know if they -- they could have been actually  
3 taken out on either side. They could have  
4 been -- their bid could be lifted -- their offer  
5 could be lifted, their bid could be hit. So it  
6 could have been two-directional flow.

7 Q. The -- the pesos that the money --  
8 that MoneyGram's customers receive comes from  
9 the purchase of XRP for pesos, correct?

10 A. Correct.

11 Q. So whoever purchased the XRP for  
12 pesos, that's the money that then MoneyGram  
13 routes to its customer, right?

14 A. Right.

15 Q. And to -- is it fair to say that the  
16 market makers with whom Ripple contracted to  
17 provide liquidity on Bitso were partners --  
18 sometimes the persons buying the XRP in exchange  
19 for pesos?

20 A. Yeah. I don't actually know enough to  
21 answer that completely only because I know that  
22 they're making markets on the exchange. I know  
23 that have -- they -- they were making two-sided  
24 markets, but I don't know if they were actually  
25 buying on behalf of the clients or if

1 MoneyGram's -- MoneyGram has, like, direct API  
2 connectivity into the platform and they would  
3 direct the flow. From my understanding, the  
4 market makers are just responsible for ensuring  
5 there's both bids and offers.

6 So I don't know how the API  
7 connectivity from, say, MoneyGram went through  
8 the platform and if it was MoneyGram acting on  
9 its own behalf or how that workflow actually  
10 played out.

11 Q. And who would know?

12 A. Probably Asheesh, who's head of the  
13 project.

14 Q. Anybody else that might know?

15 A. He'd probably be the person that you  
16 could ask. I'm not sure.

17 Q. So it's -- so it -- I just want to  
18 make clear. You don't know exactly what role  
19 the market makers --

20 A. I know that they made markets, bid and  
21 ask, on both the originating, in some instances,  
22 and the destination exchange to ensure that  
23 there was sufficient liquidity. I don't know --  
24 when you mentioned did they take the payout and  
25 then transfer it or -- or did MoneyGram in that



1 example through their direct connectivity to the  
2 platform have, like, representations? I'm not  
3 exactly sure how that flow went.

4 Q. Well, would MoneyGram have pesos on  
5 the ODL platform?

6 A. So MoneyGram wanted to deliver out  
7 pesos in Mexico. So -- so MoneyGram would need  
8 to receive in an account pesos in order to play  
9 out -- pay out in that platform. So I'm not  
10 sure exactly how that peso -- the actual pesos  
11 got into the MoneyGram account in that instance.

12 Q. Wouldn't it be by MoneyGram selling  
13 the XRP's for pesos?

14 A. Yes. But you were talking about, I  
15 thought, were the market makers doing that  
16 payout for them. I think it's MoneyGram doing  
17 that for themselves, but the market makers are  
18 the ones making the bid and the offer on the  
19 exchange.

20 Q. For -- on the --

21 A. **Bits0.**

22 Q. -- peso/XRP cross?

23 A. Correct.

24 Q. Okay.

25 THE COURT REPORTER: Wait, wait,

1 wait. You talked over one another. For  
2 the -- on the -- repeat.

3 THE WITNESS: Sure.

4 MR. TENREIRO: I think I said for  
5 the peso/XRP cross and I believe she said  
6 sure or yes.

7 A. Yes.

8 Q. Okay. So to the extent the market  
9 makers might be buying the XRP for pesos, where  
10 was [REDACTED] or GSR getting pesos from?

11 A. So I don't know how they source the  
12 local funding. They manage that themselves.

13 Q. Okay. Do you know if they're Mexican  
14 companies, GSR and [REDACTED]

15 A. I don't know the legal entity setup  
16 they have.

17 Q. Okay. So we did 71, so let's move on.

18 MR. TENREIRO: Let's move on to  
19 72.

20 (Whereupon, exhibit is presented  
21 and marked SEC Madigan Exhibit 72 for  
22 identification.)

23 MR. TENREIRO: Dugan, are you  
24 there and able to e-mail?

25 MR. BLISS: Yes. It's going out.

1 MR. TENREIRO: Okay. So it's a  
2 two-page e-mail, 463519. And we're going  
3 to circulate it here now.

4 MR. ANELLO: Thank you.

5 MS. ZORNBERG: Thank you.

6 MR. TENREIRO: Thank you. Thank  
7 you.

8 (Pause)

9 A. Okay.

10 Q. Ms. Madigan, this appears to be with  
11 respect to an article in Bloomberg titled  
12 "Third-Biggest Cryptocurrency Barely Causes a  
13 Ripple Amid Rally."

14 Do you see that?

15 A. Yes. Excuse me.

16 Q. Do you see that?

17 A. Yes. Excuse me. I'm sorry.

18 Q. Okay. And, you know, I don't want to  
19 spend time on every one of the lines, but is it  
20 fair to say that there was a desire to sort of  
21 respond to some of the statements in that  
22 article?

23 MS. ZORNBERG: Object to form.

24 A. So I was not -- I've just read this  
25 now, but I didn't write this e-mail. It seems



1 I'm cc'd here.

2 Q. You're cc'd by [REDACTED]?

3 A. Yeah, it appears that way.

4 Q. And who is that?

5 A. Unless it was [REDACTED] I'm not sure  
6 who.

7 [REDACTED] was in comms and now -- I  
8 don't -- her role has changed somewhat, but I  
9 don't know -- people -- something else now.

10 Q. She was in comms you said? I'm sorry.

11 A. Yes.

12 Q. Okay. Well, why would you be copied?  
13 Why -- you know, why would you be copied on an  
14 e-mail from comms?

15 A. I'm not sure.

16 Q. Did you ask, Why did you copy me?

17 A. I don't see that I've asked that here,  
18 no.

19 Q. Well, I mean just, like, in person,  
20 you know, or might you have called her and said,  
21 Hey, I saw your e-mail, what's up?

22 MS. ZORNBERG: Objection.

23 Q. Did you -- did you ask her in another  
24 context that's not the e-mail?

25 A. No, not that I recall.

1 Q. Mm-hmm. And did she copy you on comms  
2 e-mails frequently?

3 A. [REDACTED]?

4 Q. Uh-huh.

5 A. No.

6 Q. What about Ms. Long, Monica Long?

7 A. No.

8 Q. Okay. And is this the kind of, you  
9 know, statements in the market that Ripple  
10 wanted to respond to in -- you know, in your  
11 experience there?

12 A. I don't even know what the article's  
13 referencing, so it's hard for me to say.

14 MR. TENREIRO: Let's pull Exhibit  
15 73, which is a Bloomberg article August  
16 23, 2019.

17 (Whereupon, exhibit is presented  
18 and marked SEC Madigan Exhibit 73 for  
19 identification.)

20 (Pause)

21 A. Okay.

22 Q. Okay, Ms. Madigan. Having --

23 A. I've scanned that.

24 Q. Sorry?

25 A. I was saying, okay, I've scanned that

1 now.

2 Q. Okay. Having scanned the Bloomberg  
3 article --

4 A. Yes.

5 Q. -- is it fair to say from your scan  
6 that it, you know, generally speaking talks  
7 about Ripple's XRP selling -- sorry, Ripple's  
8 selling of XRP weighs on price and compares the  
9 price movement of XRP up to that point in 2019  
10 to the price movement of other digital assets up  
11 to that point in 2019?

12 MS. ZORNBERG: Objection.

13 A. It talks about a lot more than that.

14 Q. Is it fair to say those -- that's one  
15 of the things it talks about?

16 A. I see that as a topic that's covered.

17 Q. Okay. And it notes that all the  
18 other nine -- nine of the top ten crypto coins  
19 in 2019 have gained in price while XRP is the  
20 only one that's gone down in price? Do you see  
21 that on the front page graph?

22 A. Yes.

23 Q. Okay. Why would Ripple want to  
24 respond or make a statement in response to an  
25 article like this?



1 A. It appears --

2 MS. ZORNBERG: I'd just object.

3 Objection to the extent you're  
4 characterizing this other exhibit.

5 MR. TENREIRO: Okay.

6 A. Okay. So, first of all, it's hard for  
7 me to speak on behalf of the company. I didn't  
8 originate or comment on this e-mail. But from  
9 reading -- scanning that article and then  
10 reading this exchange that you've shared with  
11 me, it looks like the attempt was to correct  
12 some incorrect statements that appeared in the  
13 article.

14 Q. What was the incorrect statement?

15 A. I can read it in more detail, but --

16 MS. ZORNBERG: Objection. She's  
17 already said she has no personal  
18 knowledge.

19 MR. TENREIRO: Personal knowledge  
20 is what --

21 THE COURT REPORTER: I can't hear  
22 that.

23 MR. TENREIRO: No, no. I just  
24 was --

25 THE WITNESS: Okay. Yeah.

1 MR. TENREIRO: We're not saying  
2 anything right now. We're just waiting  
3 for the witness.

4 A. Okay. So your question is what again?

5 Q. My question was, what is the  
6 misstatement in the article that the  
7 conversation is about?

8 A. So, for example, Monica says clearing  
9 up misinfo --

10 MS. ZORNBERG: I'm going to  
11 object to the extent she's already told  
12 you she doesn't know and wasn't involved  
13 and you're asking her factual questions  
14 just to read from an e-mail.

15 MR. TENREIRO: I'm asking her for  
16 her understanding, but, thank you. The  
17 objection is noted.

18 THE WITNESS: So can we move on  
19 or is this --

20 MR. ANELLO: Do you --

21 THE WITNESS: Oh.

22 MR. ANELLO: Do you have the  
23 question in mind?

24 BY MR. TENREIRO:

25 Q. The question is, what is the

1 misstatement in the article that

2 this conversation is about --

3 A. Yeah, I --

4 Q. -- as far as you can tell?

5 A. I'm not sure, but it looks to be that  
6 a few of the people commenting in this e-mail  
7 thread are suggesting that there's  
8 misinformation in this article. Again, I just  
9 scanned this article. I don't know exactly  
10 where it lies, but clearly the attempt, from  
11 what I can read in this e-mail, is that they're  
12 attempting to address misinformation in the  
13 market.

14 Q. And -- okay. It's -- addressing  
15 misinformation in the market, I think you've  
16 said, is one of the things that Ripple has  
17 wanted to do when you've been there as an  
18 employee, correct?

19 A. So as I've said, we --

20 MR. ANELLO: Please answer his  
21 question.

22 THE WITNESS: Okay.

23 THE COURT REPORTER: I'm sorry,  
24 did somebody say something?

25 MR. ANELLO: Yes. I said please



1 just answer his question.

2 A. Yes.

3 Q. Have you been involved in  
4 conversations where it might suggest that your  
5 comms -- that Ripple's communications efforts to  
6 the market might be devoted to amplifying  
7 positive news for Ripple and trying to minimize  
8 negative news for Ripple?

9 A. No.

10 MS. ZORNBERG: Objection.

11 Q. Okay.

12 MR. TENREIRO: Let's look at  
13 Exhibit 75.

14 (Whereupon, exhibit is presented  
15 and marked SEC Madigan Exhibit 75 for  
16 identification.)

17 (Pause)

18 BY MR. TENREIRO:

19 Q. Ms. Madigan, I don't know if I read it  
20 for the record, but this is a two-page e-mail.  
21 463291 is the Bates. At the top, around  
22 September 7th, 2019, you say "The markets team  
23 is coordinating with comms for a comprehensive  
24 strategy here."

25 What -- strategy for what?

1           A.    Okay.  I don't recall this specific  
2   e-mail.  It was over -- about two years ago.  
3   But I -- I just read this.  So it looks like  
4   Brad is asking for more proactive -- more  
5   proactive reactions when there's misinformation  
6   in the market.

7           Q.    Did you ask him why he wanted more  
8   proactive reactions when there was negative  
9   information in the market -- sorry, when there  
10  was misinformation in the market?

11          A.    Yeah.  He generally wanted  
12  transparency and for misstatements that were  
13  publicly out there to be corrected.

14          Q.    What do you mean -- you said  
15  "transparency."  Just can I understand what you  
16  mean by "transparency" just because you've said  
17  it a couple of times?

18          A.    Yeah.  So I gave an example of the  
19  markets report as one -- one medium we used to  
20  communicate to the market about the way that  
21  Ripple manages its XRP supply.

22          Q.    Transparency.  Is "transparency"  
23  another word for providing information?

24          A.    I don't know that I would define  
25  transparency as providing information, but

1 it's -- Ripple providing information around its  
2 holdings of XRP was the focus of the markets  
3 team and the markets report was the way we used  
4 that.

5 Q. Other than the markets -- well, let me  
6 ask this: Was the markets team involved in  
7 deciding what information was important to  
8 provide and what information was not necessarily  
9 important to provide in these reports?

10 A. Most of the reports had similar  
11 content. It was pretty consistent. So all  
12 sorts of market data and analytics. And then I  
13 mentioned, you know, a bunch of other teams  
14 would opine depending on what was topical at the  
15 time.

16 Q. Who at Ripple had a role in deciding  
17 what information was, you know, to be provided  
18 in market re -- in the market reports?

19 A. So a number of teams would contribute:  
20 Legal, markets, finance, accounting, Xpring,  
21 sometimes BD.

22 Q. Okay. And was -- you said all the  
23 reports -- you said most of the reports had  
24 similar content.

25 Did all of the reports when you were



1 at the company discuss increases in XRP supply?

2 A. So I don't recall if there was  
3 increases in XRP supply in all the reports when  
4 I was there. Depended upon if there was an  
5 increase, it probably would have been covered.  
6 If there wasn't, it probably wouldn't have been.

7 Q. Okay. And when you say that you're  
8 going to "coordinate with comms on all responses  
9 as we address," that's in your e-mail --

10 A. Uh-huh.

11 Q. -- what did you mean by that? Did  
12 you, in fact -- sorry.

13 My question is, did you, in fact,  
14 coordinate with communications on all responses?

15 A. I -- no, not on all responses.

16 Q. So on which ones did you coordinate?

17 A. I don't recall offhand. As I  
18 mentioned earlier, periodically comms would  
19 reach out to us if they found something. I  
20 think in this, or one of the recent ones we  
21 looked at, there was an example of where comms  
22 reached out and said, hey, this is -- this is  
23 wrong and we want to correct it.

24 Q. And when you say "We have set up  
25 alerts for a number of accounts that are typical

1 culprits," alerts, what does that mean?

2 A. So there's a -- a team within the  
3 communications team that did something called  
4 social monitoring. So they would receive alerts  
5 when there was keywords that would arise in, you  
6 know, in the Twittersphere or other social  
7 platforms.

8 Q. What were the keywords?

9 A. I don't know what they set up. The  
10 comms team did it, but...

11 Q. When you say "typical culprits," what  
12 do you mean by that?

13 A. Hold on. I have to read what it was  
14 in context on.

15 Is this in my -- the top e-mail?

16 Q. Yes.

17 A. Okay. So I can't recall exactly at  
18 the time, but reading it now, it's probably  
19 people who were publicly spreading  
20 misinformation on a more-than-once occasion.

21 Q. Okay.

22 MR. TENREIRO: Let's take a look  
23 at Exhibit 83, which is a one-page e-mail,  
24 RPLI\_SEC 479392.

25 (Whereupon, exhibit is presented

1 and marked SEC Madigan Exhibit 83 for  
2 identification.)

3 MS. ZORNBERG: Thank you.

4 BY MR. TENREIRO:

5 Q. And just for the record I'll note this  
6 is an e-mail from you to Monica Long, copying  
7 Ron Will, on June -- oh, sorry -- yeah, June  
8 3rd, 2021.

9 (Pause)

10 A. Okay.

11 Q. The first line you reference "Brad's  
12 recent comments." What comments are you talking  
13 about?

14 A. I don't recall offhand.

15 Q. Okay. Then you say "Adjusted  
16 framework for the weekly deck so that it  
17 incorporates a more XRP-centric update. Few  
18 quick points to highlight: You'll notice a  
19 higher focus on sentiment, and our proactive  
20 plans related to them."

21 Excuse me. "Sentiment," are you  
22 referring to market sentiment there or something  
23 else?

24 A. It appears to be market sentiment.

25 Q. Okay. What were the proactive plans



1 related to "a higher focus on sentiment"?

2 A. I don't recall.

3 Q. The next bullet talks about "I've also  
4 instituted a weekly Wed meeting" -- "Wed,"  
5 Wednesday?

6 A. Looks like it.

7 Q. -- "with some members of  
8 markets/comms/marketing teams, to get ahead each  
9 week, aligning on key issues and document action  
10 plans in time for Friday meeting - re: What is  
11 trending and what we are doing about it - i.e.  
12 if positive, let's amplify; if negative, let's  
13 combat more aggressively, et cetera."

14 Do I see -- do you see that?

15 A. I do.

16 Q. What did you mean by that, "if  
17 positive, let's amplify; if negative, let's  
18 combat more aggressively"?

19 A. Brad repeatedly had requested that we  
20 focus on being more aggressive in responding to  
21 misinformation in the market and not just let  
22 misinformation linger.

23 Q. So you're saying that the word  
24 "negative" here is synonymous with  
25 misinformation?

1 A. Correct.

2 Q. Okay. And the word "positive" is --  
3 is what?

4 A. With correct information.

5 Q. So the -- what you're saying here is  
6 you wanted to amplify correct information but  
7 you wanted to combat misinformation? That's  
8 what you meant here?

9 A. Yes. I believe. That's how I'm  
10 reading it here now.

11 Q. Okay.

12 MR. TENREIRO: Let's look at  
13 Exhibit -- one second -- 82.

14 (Whereupon, exhibit is presented  
15 and marked SEC Madigan Exhibit 82 for  
16 identification.)

17 MR. TENREIRO: Eighty-two is a  
18 one-page document, RPLI\_SEC 367128.  
19 Here's a copy. Also one page, yes.

20 (Pause)

21 A. Okay.

22 Q. Ms. Madigan, does this -- this appears  
23 to reference comments to the 2020 First Quarter  
24 XRP Markets Report, is that correct?

25 A. It looks like that, yes.

1 Q. Okay. And you made comments, is that  
2 right?

3 A. It looks like it.

4 Q. Okay. The -- at the bottom, one  
5 comment is "XRP circulating supply increase."

6 [REDACTED] asks "We didn't have it last quarter, but  
7 we did in Q3? Should we add it?"

8 You say "I'm thinking maybe not given  
9 the spike at the very end of Q4. It will draw  
10 negative attention."

11 Do you see that?

12 A. Mm-hmm.

13 Q. What did you mean by that? What would  
14 draw negative attention?

15 A. So I don't recall exactly what  
16 happened at the end of Q4. I do recall, given  
17 this is around circulating supply, we were  
18 looking at -- at making sure that we had  
19 accurate information on supply and there were  
20 some conversations around supply at time,  
21 ensuring we had accurate supply information into  
22 the market.

23 Q. Why would a spike at the very end of  
24 Q4 draw negative attention?

25 A. I'm not sure what that spike was. I



1 don't recall offhand.

2 Q. Was this an example of you trying to  
3 make sure that there was transparency in the  
4 market reports?

5 A. Yes, because I remember us focusing on  
6 supply actually with -- really [REDACTED] was leading  
7 the charge there, but -- the advisory team, but  
8 we were doing a deep dive on supply at the time  
9 and trying to figure out the accurate -- most  
10 accurate way to report that information to the  
11 market.

12 Q. But was it accurate that there had  
13 been an XRP circulating supply increase at the  
14 end of Q4?

15 A. I don't remember what happened at the  
16 end of Q4, but I do remember that we were  
17 looking at how we introduce supply to the market  
18 and the most accurate way at the time that we  
19 could communicate it to the market.

20 Q. And -- and did you communicate that  
21 your concern was the accuracy or the spike in  
22 this e-mail?

23 A. I -- I recall being concerned around  
24 the accuracy and ensuring that we figured out  
25 that analysis on supply increase before we would

1 comment on it.

2 Q. To whom did you communicate your  
3 concern about the accuracy of the supply  
4 increase, if anyone?

5 A. To Brad, to [REDACTED] -- again, [REDACTED] was  
6 leading that effort. But I -- but I remember  
7 there was a lot of ongoing conversation around  
8 supply.

9 Q. And via what medium did you  
10 communicate to Mr. Garlinghouse or [REDACTED] your  
11 concerns about the accuracy of supply numbers --

12 A. I'm not sure. Internally we used a  
13 lot of e-mail and Slack in most of our  
14 communications.

15 Q. Do you recall specifically communi --

16 THE COURT REPORTER: I'm sorry,  
17 e-mail and what?

18 THE WITNESS: Slack.

19 Q. Do you recall what spec --

20 THE COURT REPORTER: I don't know  
21 what you're saying.

22 MR. TENREIRO: Slack. S-L- --

23 THE WITNESS: It's S-L-A-C-K.

24 MR. TENREIRO: Sorry.

25 THE COURT REPORTER: Thank you.

1 BY MR. TENREIRO:

2 Q. Do you remember using Slack to  
3 communicate to Mr. Garlinghouse or to [REDACTED] your  
4 concerns about accuracy of supply increase at  
5 the end of Q4?

6 A. I do not recall what mediums we  
7 communicated on on that topic.

8 Q. Did you come to a conclusion as to  
9 whether you had accurate or inaccurate  
10 information about XRP supply increase at the end  
11 of Q4?

12 A. I don't recall specifically at the end  
13 of Q4, but I do recall that there was a deep  
14 dive on figuring out how we could communicate  
15 more effectively the supply in the market.

16 Q. And did you come to a -- what you  
17 believed to be an accurate, you know, set of  
18 information about changes in supply for XRP?

19 A. I don't know if we ever concluded that  
20 work. I know it was ongoing and [REDACTED] was leading  
21 it. I don't know where it shook out.

22 Q. You don't know where -- where the work  
23 shook out?

24 A. Right. I don't know -- I don't -- I  
25 don't know where that issue was resolved. I



1 don't recall offhand.

2 Q. So did Ripple discuss the XRP  
3 circulating supply increase in the first quarter  
4 2020 markets report?

5 A. I don't recall offhand.

6 Q. Okay. Is this an example -- so let me  
7 take a step back.

8 Were there occasions where you might  
9 have felt that the information -- that if  
10 information was going to draw negative  
11 information, you didn't want it in the market  
12 reports other than this?

13 A. No. So I'll clarify that my objective  
14 was to make sure that there was as transparent  
15 as possible information in the market. And so  
16 if there was misinformation in the market,  
17 myself, Ripple in general, wanted to make sure  
18 we took the opportunity to correct that.

19 Q. Right.

20 If Ripple put in a number, though, in  
21 the XRP report, say for 2020 Q1, about increased  
22 circulating supply, how would the market know  
23 that that information is inaccurate?

24 MS. ZORNBERG: Objection.

25 A. I'm not sure what the question is.

1 Q. Yeah. How -- how -- how would it be  
2 known to be inaccurate? How would people be  
3 able to know that it's inaccurate?

4 MS. ZORNBERG: Objection.

5 A. How would people know if the  
6 information that we put in the report would be  
7 inaccurate?

8 Q. Yeah.

9 A. We wouldn't put inaccurate information  
10 in the report.

11 Q. Okay. So why would it draw  
12 negative -- negative attention if it were in  
13 there?

14 A. So an example would be there's  
15 different ways that XRP gets introduced in the  
16 market. It can be -- it can be through sales or  
17 loans, for example. Sometimes market -- like  
18 that guy [REDACTED] you referenced earlier. He  
19 might see Rip -- he right see XRP leave Ripple  
20 and all of the sudden the headline one would be,  
21 like, XRP is being sold by aggressively by  
22 Ripple even if it was a loan, for example.

23 So there are different ways that XRP  
24 can leave Ripple and come back to Ripple that  
25 have different treatments and it doesn't

1 necessarily imply that XRP is being sold just  
2 because it's left the Ripple wallet.

3 Q. Right. But how would that have a  
4 negative -- how would it -- how would it draw  
5 negative attention, though?

6 A. Well, I don't think it's necessarily  
7 negative attention, but inaccurate information  
8 is not what we want to be communicating to the  
9 market. So if the market, for example, in that  
10 example I just cited would interpret that as XRP  
11 being sold when, in fact, it wasn't being sold,  
12 that's misinformation.

13 Q. Right. And so --

14 THE COURT REPORTER: Excuse me.  
15 Please slow down.

16 A. I'm sorry.

17 Q. It's okay.

18 But to the extent that you referenced  
19 negative attention here, then what did you mean?

20 A. So, to me, misinformation is not  
21 helpful. So accurate information was our  
22 objective.

23 Q. Okay.

24 MR. TENREIRO: Let's look at  
25 Exhibit 25, please.



1 (Whereupon, exhibit is presented  
2 and marked SEC Madigan Exhibit 25 for  
3 identification.)

4 MR. TENREIRO: 25 is a one-page  
5 e-mail, RPLI\_SEC 478596.

6 (Pause)

7 A. Okay.

8 Q. Ms. Madigan, what is this e-mail about  
9 that you wrote to Mr. Will on January 7, 2020?

10 A. So this is an e-mail that was  
11 originally drafted by [REDACTED] regarding his work  
12 with **Binance**, an exchange, around a new listing.

13 Q. And how -- how do you know that part?

14 A. How do I know what part?

15 Q. That it was drafted by [REDACTED]

16 A. Because I remember that finance --  
17 that -- that [REDACTED] sent me this --

18 Q. Okay.

19 A. -- in draft form because I wasn't  
20 involved in the conversations.

21 Q. All right. And what is the -- what is  
22 the draft about?

23 A. It's about a new listing of a XRP/USDT  
24 perpetual swap contract.

25 Q. Okay. And was this -- what was the

1 purpose of this draft e-mail? Was this some  
2 report that was going to be publicized, you  
3 know, that was going to be made public or --

4 A. Ron asked that we put together a recap  
5 because he wanted to share it with Brad, I  
6 believe.

7 Q. A recap of what?

8 A. Of the engagement with **Binance** and the  
9 listing.

10 Q. And "XRP surged plus 10 percent on the  
11 back of the news," what is that a reference to?  
12 The price of XRP?

13 A. Well, I can't see the -- the linked  
14 article, but perhaps.

15 Q. What else could it be a reference to?

16 A. It could be volumes. It could be  
17 other metrics that are tracked as well.

18 Q. Okay. And why would you want to know  
19 if XRP surged plus -- why would Brad want to  
20 know if XRP surged plus 10 percent on the back  
21 of the news?

22 A. I don't know if Brad would want to  
23 know that.

24 Q. Well, why -- why would -- you know,  
25 you sent this e-mail to Mr. Will. Why did you

1 put that in the e-mail?

2 MR. ANELLO: Why -- I'm sorry.

3 Why did you put what in the e-mail?

4 MR. TENREIRO: "XRP surged plus

5 10 percent on the back of the news."

6 A. I don't know why.

7 Q. You don't -- you don't know why you

8 put that in the e-mail?

9 A. Well, I actually didn't put it in  
10 there. I -- I forwarded on a message from

11 [REDACTED]

12 Q. Okay. Did you read it before you  
13 forwarded it on?

14 A. Yes.

15 Q. Did you discuss it with [REDACTED]

16 A. I don't recall discussing it with him.

17 Q. Okay. And is it something you  
18 typically reported to Mr. Garlinghouse,  
19 something about the surge of XRP on the back of  
20 news?

21 A. No.

22 Q. No?

23 A. No. This was a unique e-mail.

24 Q. In the weekly meetings, did you  
25 cover -- the weekly market teams meetings, did



1 you cover the change in price of XRP?

2 A. Yeah, in the weekly markets meetings,  
3 we would tend to cover a lot of things about XRP  
4 as well as crypto broadly. So we covered price,  
5 volumes, exchanges listing, new products, moves  
6 in the market overall, trends. Many topical --  
7 many things that were topical around the markets  
8 at the time.

9 Q. Was the price change in the last week  
10 typically the first thing you covered in your  
11 decks?

12 A. I don't know where in the deck we  
13 talked about the price specifically.

14 Q. Okay. Further down in the e-mail, it  
15 says "The XRP/USDT perpetual contract on **Binance**  
16 reflects an important product listing in the  
17 evolution of XRP trading instruments. Perpetual  
18 swaps are the most liquid and heavily traded  
19 instruments in crypto, allowing speculators, as  
20 well as hedgers alike, an efficient form to  
21 trade."

22 What is meant here by "speculators"?

23 A. People speculating on the market.

24 Q. On the XRP market?

25 A. On crypto generally.

1 Q. Okay. And why would Ripple want  
2 people speculating on crypto generally to be  
3 able to have an efficient form to trade?

4 A. Our general view on the market was  
5 that as this crypto market matures, having more  
6 instruments, akin to similar -- you know, the  
7 traditional finance market, allows people who  
8 want to trade the market to express their views  
9 in different ways.

10 Q. Okay. Let -- let's set this aside.

11 So going back to the ODL product that  
12 we've discussed a little bit, did -- did part of  
13 the contractor relationship between Ripple and  
14 the market makers, GSR and [REDACTED] did part of that  
15 relationship include a loan of dollars by Ripple  
16 to these market makers?

17 A. It included a loan. I think most of  
18 the loan was in XRP from memory, but I don't  
19 recall. There may have been portions of dollars  
20 and XRP.

21 Q. What was the purpose of the loan?

22 A. To provide working capital so that  
23 they had capital to use in the capacity that  
24 they were performing market-making activities on  
25 those ODL exchanges for.

1 Q. Would that include working capital to  
2 buy local currencies such as Mexican pesos in  
3 the example we've been discussing?

4 A. I'm not sure if it was loans from  
5 Ripple that supported that or if that was their  
6 own capital or how that was done.

7 Q. Did the -- did the market makers  
8 purchase Mexican pesos as part of their support  
9 of the ODL product to Ripple?

10 A. I -- I believe so.

11 Q. Okay. And what -- you know, did they  
12 purchase those pesos using traditional SWIFT  
13 systems?

14 A. I'm not sure.

15 Q. Do you know what I mean by -- when I  
16 say "SWIFT"?

17 A. I know that that's something in the  
18 traditional banking rails, but I don't know how  
19 those wires work or that system works and  
20 what -- what rails the market makers use.

21 Q. To the extent the market makers  
22 purchased local fiat, such as pesos, did they  
23 buy it using XRP?

24 A. I do not know.

25 Q. Did they buy it using traditional fiat



1 currencies like U.S. dollars?

2 A. I do not know.

3 Q. Okay. Who knows?

4 A. Probably the market makers.

5 Q. Anyone at Ripple who knows?

6 A. I'm not sure.

7 Q. All right. Now -- one second.

8 Does Ripple subsidize costs incurred  
9 by ODL customers such as MoneyGram?

10 A. I'm not aware of how the subsidies  
11 work with clients of ODL. That was not  
12 something that my team is involved with.

13 Q. Well, I first -- thank you. But first  
14 I was asking you about the existence of  
15 subsidize -- of, you know, subsidizing costs.  
16 So not necessarily how they work, but did they  
17 exist?

18 MS. ZORNBERG: Object to form.

19 Do you want to put it in a point  
20 in time?

21 MR. TENREIRO: Yeah, at the begin

22 --

23 MS. ZORNBERG: First you asked  
24 about MoneyGram today, which is a --

25 MR. TENREIRO: Yeah.

1 BY MR. TENREIRO:

2 Q. So when ODL sort of launched a few  
3 months or whatever time right after you started,  
4 were there subsidies paid to people like  
5 MoneyGram --

6 A. I --

7 Q. -- with respect to the ODL product?

8 A. I recall hearing about them, but,  
9 again, I don't know any little detail around  
10 subsidies.

11 Q. And did Ripple -- does --

12 THE COURT REPORTER: I'm sorry.  
13 Could you please repeat your answer,  
14 please? I cannot hear.

15 THE WITNESS: Sure. I said I  
16 recall hearing about subsidies, but I am  
17 not privy to any little detail on them.

18 BY MR. TENREIRO:

19 Q. Does Ripple earn revenues from ODL?

20 A. I do not know.

21 Q. And who knows at Ripple?

22 A. Probably our CFO.

23 Q. Who is that?

24 A. It was Ron Will. A new CFO was just  
25 recently hired and I don't know her name.

1 Q. Okay. Does Ripple still engage in  
2 programmatic sales today?

3 A. Not that I'm aware.

4 Q. Does Ripple engage in OTC sales today?

5 A. [REDACTED]

6 Q. Anything else that you're aware of?

7 A. Nothing else that I'm aware of.

8 Q. Does Ripple today generate revenue  
9 from ODL?

10 A. I'm not aware.

11 Q. So you don't know either way?

12 A. I don't know either way.

13 Q. Okay. Are you aware -- well, as part  
14 of the relationship between Ripple and the  
15 market maker that facilitated the ODL product,  
16 is there -- does Ripple lease XRP to the market  
17 maker?

18 A. I'm sorry, can you repeat the  
19 question?

20 Q. Yes.

21 As part of the relationship between  
22 Ripple and the market maker that facilitated the  
23 ODL program, does Ripple lease XRP to the market  
24 maker?

25 A. Yes.



1 Q. And what is the purpose of the lease?

2 A. Working capital.

3 Q. How does the market maker use the  
4 leased XRP?

5 A. So they require the use of XRP to  
6 provide the market making services that we spoke  
7 about with ODL.

8 Q. So they sell the XRP to obtain working  
9 fiat?

10 A. My understanding is they need both XRP  
11 and fiat. I don't know what bounds they -- how  
12 they manage their own accounting.

13 Q. Did you negotiate any of the contracts  
14 between Ripple and the market makers?

15 A. I was involved in some of the  
16 negotiations. So when I came in, V1 was pretty  
17 much done, but --

18 Q. I'm sorry, what? I didn't hear. V1?

19 A. Yes. The first version was pretty  
20 much done, like almost done being negotiated,  
21 and then there were future versions as well over  
22 my time here.

23 Q. What was your role in the -- in terms  
24 of negotiating these?

25 A. So when I arrived, as I mentioned,

1 most of the terms for V1 were pretty baked but I  
2 don't think the contracts were signed yet. For  
3 V2, [REDACTED] and her team were actively involved  
4 in those negotiations and took the lead on  
5 those. And then in V3, more recently, I was  
6 involved along with the advisory team.

7 Q. [REDACTED] can you please -- her last name  
8 for the record, please.

9 A. [REDACTED]

10 Q. And what team is she in?

11 A. She's a senior advisor to Brad at  
12 Ripple.

13 Q. So just to make sure I understand, the  
14 first version of the agreements were pretty much  
15 done when you started --

16 A. Right.

17 Q. -- is that correct?

18 A. Yes.

19 Q. Version 2, [REDACTED] and her team were more  
20 actively involved, but were you involved at all  
21 in Version 2?

22 A. I was somewhat involved, but [REDACTED] and  
23 her team were kind of taking the lead.

24 Q. And is it fair to say you were more  
25 involved in Version 3 then?

1 A. Yeah, but also closely working with  
2 the advisory team, [REDACTED] and [REDACTED] who were  
3 still left after [REDACTED] left.

4 Q. [REDACTED]

5 A. [REDACTED] and [REDACTED]

6 Q. [REDACTED] Okay.

7 And what -- what are the differences  
8 between Version 1, Version 2 or Version 3?  
9 What -- what are you talking about when you say  
10 those versions?

11 A. Sure. The versions are just  
12 referencing each of the contracts had a certain  
13 start and end date. And when the contract would  
14 approach expiry, you'd go to Version 2. And so  
15 they have a -- a fixed fee and a variable fee  
16 component. Those came down from V1 to V2. And  
17 then in V2 there was an option introduced as  
18 well.

19 Q. What -- what was the option?

20 A. I'm not very familiar with the option  
21 because that was [REDACTED] team.

22 Q. Okay. Was there something else  
23 introduced between V2 and V3? Or changed,  
24 rather, not just introduced.

25 A. No, just the rates continually came



1 down as the market became more mature and -- and  
2 developed. The rates paid came down.

3 Q. Okay. So in -- in the context of your  
4 negotiating or participating in the negotiations  
5 for the V3 contracts, did you come to, you know,  
6 understand how the ODL product functioned?

7 A. Broadly.

8 Q. Okay.

9 MR. TENREIRO: Let's look at  
10 Exhibit 66, please.

11 (Whereupon, exhibit is presented  
12 and marked SEC Madigan Exhibit 66 for  
13 identification.)

14 MR. TENREIRO: This will be --  
15 it's a six-page e-mail thread that starts  
16 at Ripple -- it's RPLI\_SEC 223540.

17 (Pause)

18 A. Okay.

19 Q. So, Ms. Madigan --

20 A. Yes.

21 Q. -- it's a thread on or around July  
22 30th, 2019.

23 Do you recall a discussion with  
24 CoinBase about a potential deal with respect to  
25 ODL?

1 A. Yes. Vaguely.

2 Q. What was your involvement?

3 A. So the head of business development,  
4 [REDACTED] at the time also ran the -- the  
5 markets team and she asked both teams if anybody  
6 happened to know anybody at Coinbase. And the  
7 only reason that I was looped in here is because  
8 Coinbase actually -- I happened to -- Coinbase  
9 was recruiting me and I happened to have met  
10 this guy [REDACTED] So I offered to make a warm intro  
11 for [REDACTED] so that he could meet [REDACTED]  
12 face-to-face.

13 Q. And did you?

14 A. I did. I made the introduction.

15 Q. Did the deal between Coinbase and  
16 Ripple happen with respect to ODL?

17 A. I don't know. I didn't -- as you can  
18 see, I wasn't involved in any of -- if any, of  
19 the back-and-forth.

20 Q. And Mr. [REDACTED] who was he again?

21 A. [REDACTED] works in -- well, used to work  
22 in business development.

23 Q. Who did he report to? Do you now?

24 A. [REDACTED]

25 Q. Okay. And is it -- from reading this

1 e-mail -- from reading this e-mail is it fair to  
2 say that there were conversations with Coinbase  
3 about, you know, potential incentives that  
4 Ripple might pay Coinbase to help out with ODL?

5 A. You know what? I -- I -- I'll read it  
6 more carefully, but I -- I literally made the  
7 introduction and then switched off on this. So  
8 I wasn't paying attention to the flow because I  
9 wasn't -- I'm not in the weeds on this stuff,  
10 but I can read it for that.

11 Q. Oh. That's okay. We can move on  
12 unless you'd like to.

13 A. No.

14 Q. We can move on.

15 A. Okay.

16 Q. Okay. Now, so based on your  
17 understanding of the ODL product or your, you  
18 know, negotiations of the V3 contract, would the  
19 market makers provide liquidity in the, you  
20 know, for example, MXN/XRP cross absent being  
21 paid by Ripple to do so?

22 THE COURT REPORTER: I'm sorry.

23 Can't get that. Pick it up from where --

24 "would the market makers provide liquidity  
25 in the, you know, for example" --